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AFRICA IN 2020

African spring, economic winter

Fresh from signal victories in Khartoum and Algiers, youthful mass movements are demanding jobs, opportunities and accountability as financial uncertainty grows

Two developments in the past year will be of seismic importance in 2020: the revolutionary movements in **Algeria** and **Sudan** and the start of the African Continental Free Trade Agreement (ACFTA). The tension between the aspirations of Africa's overwhelmingly young 1.2 billion people and the continent's sluggish economic progress is palpable throughout the continent's 30 million square kilometres. In several countries, especially in the bigger economies such as **Algeria**, **Nigeria** and **South Africa** where hopes are highest, the political temperature is close to boiling point. It will take quantities of political will not seen so far to respond to such pressures with a credible plan.

That explains the attention given to the free trade deal, which all the members of the African Union bar **Eritrea** have signed, and is due to start operating in July. It is the most ambitious trade zone project in the world. No other region has tried to weld 54 countries into a single market and eventually a full customs union. It also flies in the face of the waves of nationalism, protectionism and populism surging around the world. Africa isn't immune to those pressures, as shown by the xenophobic attacks in **South Africa** and **Nigeria's** closure of its land borders.

It will take many years to change Africa's economic game, to reach its first target of a single market with a gross domestic product of over US\$3 trillion, bigger than **India's** economy today.

But the trade treaty is the essential first step.

It is the biggest of several regional initiatives, such as a new regional currency in West Africa, attempts to rationalise the range of overlapping trading blocs, and ending visa requirements for all African visitors as a first step on the road to free movement across the continent. All face political opposition from vested business interests and hard-pressed workers fearful of more competition for local jobs.

GLOBAL LIMELIGHT

Outsiders, governments and multinational companies are re-focusing attention on Africa this year – mainly for natural resources, markets, votes at the UN General Assembly and occasionally as a location for high-return investment.

Britain starts off with an Africa investment summit in London on 20 January; **Turkey** says 2020 is its year for Africa and follows with an investment conference in April; **France** hosts its event in Bordeaux in June and will also launch a six-month festival of Africa in May to be run by **Senegalese** architect and public intellectual **N'Goné Fall**. And **China's** Foreign Minister **Wang Yi** started this year with his customary African tour, this year to **Egypt**, **Djibouti**, **Eritrea**, **Burundi** and **Zimbabwe**. It's significant that the last three countries on Wang's itinerary are all under some Western sanctions.

Certainly, the battle for African hearts and minds is heating up. Expect to hear more claims from the **United States**, which is due to announce its own new initiatives in Africa, about how **China's** prolific lending based on resource deals threatens a new debt crisis for Africa. The reality is that **China** is now unassailably Africa's leading trading partner, in spite of infrastructure projects of often doubtful utility and massive expense. Western business feels left out and wants to catch up.

Fresh from what it sees as the triumph of its Africa summit in Sochi, **Russia** will ramp up its trade with the continent, although it's still trailing the major players such as **China**, **India**, the **European Union** and the **US**. **Moscow** hopes for more natural resource deals backed by diplomacy and security assistance. Several massive deals are in the pipeline.

As a guide to the year ahead, *Africa Confidential* is dedicating this and the next edition to the coming political, economic and security developments in Africa. Apart from the biggest countries, such as **Egypt**, **Nigeria** and **South Africa**, we will cover the many elections throughout the continent this year, together with regional and national economic and financial trends. We will also focus on the growing security crisis across the Sahel, the Horn of Africa and in the Great Lakes region, as well as the escalating war in **Libya** which is sucking in more outside powers. ●

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SOUTH AFRICA

Finally, Cyril picks up the pace

The stage is set for the clash between state prosecutors and Ramaphosa's ANC enemies. The first trials will open soon

Sympathisers with President Cyril Ramaphosa's project to clean up governance are frustrated with his agonisingly slow strategy. He needs to speed up the suffocation of his opponents within the African National Congress and government, they say, and accelerate prosecutions and judicial inquiries in the coming year.

Rather than fight head-on his enemies in the ruling party, which is controlled by allies of former President Jacob Zuma led by ANC Secretary-General Ace Magashule, the President wants criminal justice to do the job for him. He has come under market, business and public criticism for not bringing corrupt ANC leaders more quickly to court, despite the wave of information about wrongdoing coming out of commissions of inquiry, task teams and the media.

The case of Zuma and Magashule ally Bongani Bongo, the first high-profile Zuma ally in the ANC to be charged with corruption after his arrest in December, will see both sides test their strength (AC Vol 60 No 24).

Magashule has prevented the ANC from supporting, as a party, the arrest of Bongo. A cabinet minister under Zuma, Bongo was sacked by Ramaphosa. But Zuma allies smuggled him back into influence as the chair of parliament's portfolio committee on home affairs, where he could help frustrate Ramaphosa's political agenda.

A key question is whether or not ANC 'untouchables' such as Magashule can be prosecuted this year. Zuma camp sources believe Ramaphosa wants Magashule's prosecution to start before the ANC General Council, which is likely to take place between July and September (AC Vol 60 No 21). For their part, Ramaphosa's enemies intend to

use the tactics Zuma employed when he launched the rebellion against ex-President Thabo Mbeki at the General Council of 2005. Mbeki was ousted at the national elective conference in Polokwane in 2007 (AC Vol 48 No 25).

The Ramaphosa camp wants to head off rebellion by tying up the figureheads of the Zuma/Magashule axis in legal proceedings. The dockets of the investigation into the controversial Vrede Dairy Project in the central Free State province are now complete and will be presented in court early this year, according to sources in the National Prosecuting Authority (NPA).

The Gupta family and associates including Magashule are alleged to have diverted public money intended for poor black farmers via a company called Estina. The Free State's agriculture department allegedly paid over 220 million rand (US\$17m) into the Gupta-linked Estina's Nedbank account, a Bloemfontein court was told.

However, the official that Zuma appointed as South Africa's Public Protector, Busisiwe Mkhwebane, controversially cleared Magashule in her 2018 report on the investigation of the Vrede scheme, blaming lower-level officials for corruption. In May last year, the Pretoria High court ruled the report was 'unconstitutional' and 'invalid' following an appeal by the opposition Democratic Alliance.

Also, the NPA, which in 2018 was still under the control of Zuma/Magashule allies, provisionally withdrew the case against several Gupta family members and associates.

Then, last year, at the Commission of Inquiry into State Capture, chaired by Deputy Chief Justice Raymond Zondo, testimony revealed major corruption in the project which had been approved by provincial ANC and government officials.

A successful prosecution of the accused in the Vrede case could lead to the fall of Public Protector Mkhwebane, but her office is independent of the executive and she can only be impeached by parliament, whose ANC parliamentary caucus is dominated by Zuma/Magashule allies.

Ramaphosa is aiming to prosecute the Gupta family, Zuma's chief allies and the main beneficiaries of 'state

capture' before they left South Africa, by the end of 2020, we hear from presidential sources. If the government can secure their extradition it will be a huge political coup for Ramaphosa. It would greatly strengthen his authority in the ANC and the country, proving he means business and is no 'softie'.

Late last year the United States Treasury's Office of Foreign Assets Control sanctioned the Gupta brothers and their business partner Salim Essa, forbidding them to do business in the US, and with US businesses, over corruption in South Africa. This caused a scramble among Zuma allies who were in business with the Guptas. They have been hiring lawyers to make sure they are not covered by the OFAC executive order.

Justice Minister Ronald Lamola and Public Service and Administration Minister Senzo Mchunu are overseeing the effort to extradite the Guptas from the United Arab Emirates. Lamola, Mchunu, NPA head Shamila Batohi, Hermione Cronje, the head of the NPA's investigative unit, and Andy Mothibi, the head of the Special Investigating Unit, all travelled to the UAE just before Christmas to negotiate the extradition, according to our sources. Their case has been made stronger by the OFAC action, we hear, and formal extradition papers have been prepared.

It remains, however, for the UAE to agree. South Africa and the UAE have had an extradition treaty since November 2018. South Africa has asked the US government for help to bring the Guptas and associates to book and also requested the assistance of India, China and Hong Kong.

LOSS OF APPEAL

The judicial net is tightening around Zuma, who is trying every legal avenue to have his cases thrown out. In November, the Pietermaritzburg High Court dismissed his application for leave to appeal to have his corruption charges in relation to South Africa's multibillion arms procurement transactions of the late 1990s set aside. Zuma, who appeared with his co-accused, the French arms manufacturing company Thales, had his action dismissed with costs.

Zuma still has the option to petition the Supreme Court of Appeal and if he loses there he can go to the Constitutional Court. But President Ramaphosa withdrew state cover for his legal fees in 2018 and this leaves him with a dilemma.

Zuma has denied having the cash to continue legal action but many believe he has plenty of money abroad. If he transferred any money to his lawyers

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from abroad it would probably be investigated as possible proceeds of crime and may be frozen. Similarly, anyone donating money to him for legal fees would also probably have their sources of income investigated.

Ramaphosa, we hear, will also insist that ANC members may not demonstrate outside court hearings to support Zuma in their official capacities – only as individuals. Outside Zuma's High Court appearance in November, there were noticeably fewer supporters – a clear sign that they recognise his patronage powers are limited now he is out of power. Zuma lacks the cash to sponsor large rallies while those of his allies who could afford it are afraid that putting up the money could lead to their funds being investigated.

DOWNGRADE

It is very likely that South Africa will be downgraded to 'junk' status in 2020 by the credit ratings agencies. This will be a blow to Ramaphosa and weaken his plans to revive the economy but it could also be used as ammunition against him by his enemies inside the ANC. Moody's, the only agency to maintain a positive, if low, rating, has put the economy on probation but at the end of that period there is scant chance of reprieve, putting South Africa out of consideration for foreign institutional investors.

The ANC government has been struggling to reduce the budget deficit, cut public spending and bring down public debt, but the left and populist opposition within the party, government and its allies oppose the reforms.

The Treasury has forecast economic growth of 1.2% for 2020. Even that looks optimistic. The Treasury in its 2019 Medium-Term Budget Policy Statement (MTBPS) has blamed policy, political and economic uncertainty, the slow implementation of structural reforms, an increasingly depressed business environment and a worsening global economy for weighing on investor confidence. It also blamed the management of state-owned enterprises.

South Africa's unemployment rose to 29.1% in the third quarter of 2019, the highest rate in decades, which will probably rise further in 2020. The Treasury said: 'This level of growth is far too low to support meaningful increases in employment and welfare. In this environment, there is little chance of the country's 9.4 million unemployed adults finding a job.'

Business confidence is at its lowest level since 1985 and is weighing on the rand also. The South African Revenue Services (SARS) in late December 2019

MALEMA: BANG TO RIGHTS

In early December, the National Prosecuting Authority said it would take On-Point Engineering, a company linked to Economic Freedom Fighters leader **Julius Malema**, to court over fraud allegations linked to a tender scandal years ago, when Malema was an ally of Zuma and under his protection. In November, the NPA charged Malema for allegedly discharging a firearm during the EFF's fifth anniversary celebrations in July 2018. Both these actions are likely to come to court soon, and the EFF will do everything in its power to stop them succeeding.

The EFF is also vulnerable to investigations of the VBS Mutual Bank, a small Limpopo bank catering for the rural poor (AC Vol 60 No 22). The NPA will bring charges in relation to VBS bank against Malema and key EFF figures this year, prosecution sources say. Malema has promised he will use the actions against him as a 'political programme' to enhance his 'political career'. The prosecutions 'basically mobilise people for me and the EFF because every time we appear, we get an opportunity to talk to our people and mobilise them. When they throw lemons at you, make lemonade,' said Malema at a press conference in December. The state's evidence, however, is thought to be strong. ●

said that, based on 2017 data, 48.3% of companies had taxable income equal to zero and 27.4% reported an assessed loss.

SARS said the decline could largely be attributed to depressed economic growth, structural challenges in the economy, low confidence levels, and political uncertainty. SARS said that companies submitting returns fell to 36.9% – or just over two million for the 2018/19 fiscal year – partly due to many being considered 'inactive or dormant'. According to Statistics South Africa manufacturing fell 8.8%, mining 10.8% and agriculture 13.2% in the first part of 2019. Although figures for the second half of the year are not out yet, they are likely to be worse. Government was one of the only sectors that saw growth (+1.2%) mainly due to an increase in employment, which is in line with the ANC's unwillingness to reduce public spending.

'Failure to implement structural reforms and improve the composition and quality of spending meant that potential gains from persistent fiscal support were not realised ... SA is experiencing its longest business cycle downturn since 1945. Business and consumer confidence remain near

historical lows,' the Treasury said in its 2019 MTBPS.

President Ramaphosa's ability to introduce the much-needed structural reforms is hindered by the opposition of key elements of the ANC's traditional support base, especially the Tripartite Alliance of the ANC, the Congress of South African Trade Unions (Cosatu) and the South African Communist Party (SACP).

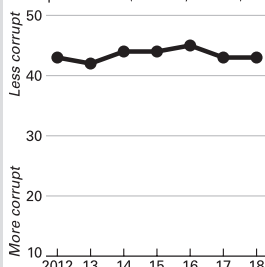
RESISTANCE

The left in general and the labour movement also oppose Finance Minister **Tito Mboweni's** economic strategy document of late 2018, in which he proposed loosening onerous visa regulations, releasing digital spectrum and opening up the energy mix to include renewable energy. There is no sign of these forces accepting Ramaphosa's policies and they are likely to mobilise against them vigorously, with a further increase in social protest, including the possibility of violence against foreigners – whom many of the poorest blame for their economic hardships. This in turn could undermine investor confidence further, and reduce efforts to lift growth, creating a vicious downward spiral.

SOUTH AFRICA

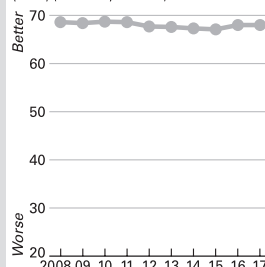
CORRUPTION

Transparency International Corruption Perceptions Index (100=best, 0=worst)



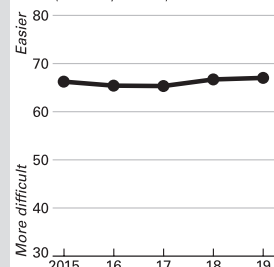
GOVERNANCE

Ibrahim Index of African Governance (IIAG) (100=best, 0=worst)



EASE OF DOING BUSINESS

World Bank's Ease of Doing Business Index (100=best, 0=worst)



Sources: Transparency International; Mo Ibrahim Foundation; World Bank

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The restructuring of Eskom, the state energy utility, will be Ramaphosa's major test (AC Vol 60 No 20 & 24). The ANC left, populists and Black Economic Empowerment (BEE) capitalists who have invested in coal that is supplied to power stations oppose the Eskom reform fearing the loss of jobs, state contracts and patronage. The National Union of Mineworkers, the union that Ramaphosa used to lead, has many members at Eskom and redundancies would weaken the NUM and its mother body, Cosatu. The Cosatu breakaway National Union of Metalworkers of SA (Numsa), which formed a new rival to Cosatu, the South African Federation of Trade Unions (SAFTU), is equally opposed to change at Eskom.

The Treasury has said Eskom is one of the main drags on growth. It has a R450bn (\$32bn) debt and in spite of proposed power tariff increases of 17% for 2020 will still probably post a loss of \$1.4bn in FY 2019/2020. Eskom has received R128bn in support from government over a three-year period.

In a presentation to Eskom executives last August not yet released to the public, Eskom chairman **Jabu Mabuza** said Eskom was in a death spiral. He said Eskom came close to collapse several times in 2019, and if Eskom collapses, South Africa collapses. Mabuza said a turnaround strategy will consist of debt relief and debt restructuring, electricity tariff increases, better collection of arrears,

cost-cutting, restructuring the business, and improved plant performance and security of supply.

President Ramaphosa announced the key reform of Eskom – its split into separate entities for generation, transmission and distribution – last February but opposition from the left and from within the corporation has prevented progress.

Such changes as have occurred, such as the Energy and Mineral Resources Minister **Gwede Mantashe's** surprise announcement that the government will now open a fourth bid window for renewable energy projects through Independent Power Producers, only came about because of unprecedentedly long power-cuts in the run-up to Christmas. ●

KENYA

Jockeying for position

Elections may be two years away but the race to form new electoral alliances already dominates national politics

Kenya began 2020 with erratic and intractable factional politics as the top two candidates for the next presidential election – **William Ruto** and **Raila Odinga** – counter each other's attempts to cobble together alliances from their bases in their respective ethnic homelands. As money changes hands on an epic scale, parliamentarians and county leaders are switching parties and alignments at a bewildering pace.

Since President **Uhuru Kenyatta** is not allowed to stand again, his huge Mount Kenya (Kikuyu, Embu and Meru) vote, the largest bloc in the country, will be up for grabs. Kenyatta will continue to protest – quite unconvincingly – that he will not commit to either side as it is 'not yet time' for campaign politics, and that politicians, especially from Mount Kenya, should rise above it and spend their time promoting economic

projects. He will continue to be defied by Mount Kenya's pro-Ruto factions – still aggrieved at Kenyatta's perceived betrayal of their man – to which he will respond with anger and insults.

Economic difficulties will intensify, with growth hobbled by the cost of rising public debt service that is now consuming over a third of current revenue, a growing public sector wage bill, low export growth, and falling private investment. When combined with the fiscal austerity the government has promised to the International Monetary Fund (IMF), it will be difficult to reach the 6% GDP growth rate in 2020 predicted by the World Bank.

While the top 20 (mostly banking and blue chip) counters in the Nairobi Securities Exchange returned disappointing yields in 2019, the rest of the stock market posted an encouraging 15% rise in net profits. Given the lack of

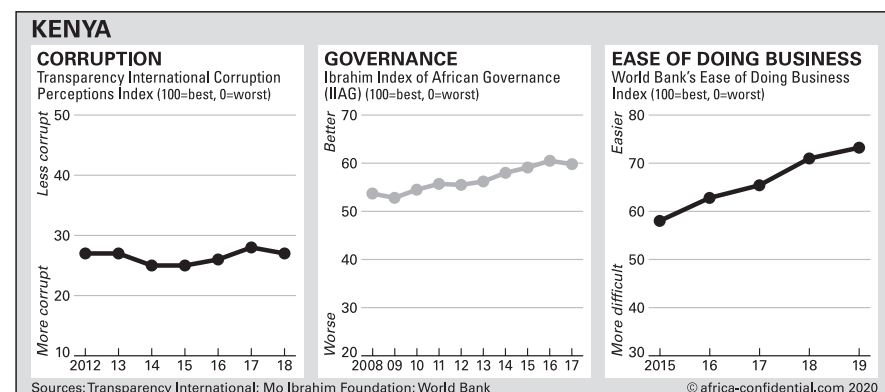
consumer and investor confidence, the discouraging performance of the top 20 could presage another bear run like the one experienced in the first three quarters of last year.

As in the past, policy responses from Kenyatta are unlikely to inspire investor confidence. Widespread economic pessimism among Kenyans, whose cry in 2019 was 'we have no money in our pockets', will probably grow during the year. It will be difficult for the government to achieve Kenyatta's ambitious 'Big Four' goals unless it is prepared to risk a higher fiscal debt and inflation, which will hurt the poor most and to which the IMF will object (AC Vol 60 No 2).

BACK TO THE PUBLIC

The main source of political division will be what to do with the Building Bridges Initiative (BBI) report, released amid much fanfare in November (AC Vol 60 No 24). On the eve of the independence day celebrations on 12 December, Odinga and Kenyatta had a long one-on-one meeting in which they decided to renew the tenure of the BBI commission to enable it to gather the views of the public on the report, to the bemusement and disappointment of many. The report states that the commission based their observations and recommendations on public hearings in all 47 counties and 7,000 interviews (AC Vol 60 No 15).

Just why the report should be thrown back to the same public was not convincingly explained, particularly as Kenyatta and Odinga both said they were content with it at its launch. Soon after the BBI commission period was extended, the Odinga side (now reduced to the core Luo Orange Democratic Movement – ODM) said they wanted a stronger prime minister with 'real executive powers'. Ruto's TangaTanga wing of the Jubilee party (Kalenjin and some Kikuyu) is content



with the report's recommendation of a titular prime minister nominated from parliament and responsible to the president. One option mooted by close allies of Kenyatta, including former Jubilee Vice-Chair and Kenyatta aide **David Murathe** is the president staying on as an 'executive' prime minister.

Political differences between the camps over a referendum on adopting or not the measures recommended by the BBI report could be even stronger than those expected over the powers of the proposed prime minister. Kenyatta is expected to commit himself to neither side, chiding Ruto indirectly for campaigning early and wanting not to offend Odinga.

While Odinga's close advisors are advocating a referendum, Ruto's allies would like the BBI report to be tabled in parliament, where they have the numbers. This could split the country once again along ethnic lines: Luo, the Coast, some Luhya and a minimal number of Kikuyu backing Odinga and ODM, while Kalenjin, most Kikuyu and some Luhya will vote with Ruto. The deck seems stacked against Odinga and

ODM. There could even be violent inter-ethnic skirmishes during the campaign – the very situation BBI was expected to end.

ENDING ALLIANCES

This year could also witness the end of the coalitions of parties that campaigned against each other in 2017: Kenyatta and Ruto's Jubilee Party and Odinga's National Super Alliance. It is a question of when, not if, Odinga's right-hand man in Nasa, **Musalia Mudavadi**, will formally quit the alliance. In an autobiography released in December, Mudavadi depicts Odinga as a master of double-talk who selfishly left him (and fellow Nasa leaders **Stephen Kalonzo Musyoka** and **Moses Wetangula**) out of the 'handshake' deal that Odinga struck with Kenyatta in March 2018 (AC Vol 59 No 6 and Vol 59 No 14). He and Wetangula appear to be gravitating towards Ruto.

Mid-level politicians from Mudavadi's Luhya community are split between Ruto and Odinga, some switching loyalty back and forth, as have many Kikuyu who say they cannot

back Ruto and may seek to find an alternative compromise candidate. Kalonzo, for his part, has stated that he will support whomever Kenyatta backs in 2022. But his role as the Kamba community's leader will be challenged by his party's main financier, **Johnson Nduya Muthama**, who could join Ruto's camp. Kalonzo also faces rebellion from the three Kamba county governors who have declared for Odinga: **Alfred Nganga Mutua** from Machakos; **Kivutha Kibwana** of Makeni; and **Charity Kaluki Ngilu** from Kitui.

Jubilee, in turn, appears set to split. On one side a Kikuyu rump would support Kenyatta, who has become increasingly popular among the Luo due to his support for Odinga since the handshake and as the presumed 'powerful prime minister' and running mate of Odinga – though Odinga has not declared his intentions for 2022. On the other side, Ruto will command most of Jubilee Kalenjin and, if he can firm up his Kikuyu base, add some Luhya, Kamba and Coastal support, that would put him at the lead by the end of the year. ●

TANZANIA

Back to the one-party state

Civil and political rights will remain constrained as Magufuli seeks a landslide in the general election to endorse his statist vision

The prospect of the October general election will dominate 2020. Last year, pre-poll government interference in the local elections saw up to 90% of opposition candidates being disqualified, a subsequent opposition boycott, and over 99% of seats going to the ruling party, *Chama Cha Mapinduzi*. The CCM aims to repeat the exercise in October, when landslide victories for the CCM can be expected at presidential, parliamentary, and council levels. The challenge this year will be carry it off and still maintain some legitimacy.

Prior to the polls, opposition parties and candidates will continue to be harassed through the courts, eating up their time and resources. Private sector political donors will learn, if they don't already know, to avoid contributing to the opposition. Pressure on privately owned mass media will be easy to maintain. Declining revenues mean newspapers can't afford to lose more government advertising. They can also be forced to shut temporarily if deemed in breach of the draconian Media Services Act (AC Vol 60 No 15).

Among opposition contenders, the most interesting story will be that of ACT Wazalendo, the party founded as a vehicle for the outspoken oppositionist **Zitto Kabwe** after his ouster from the main opposition party, *Chama cha Demokrasia na Maendeleo* (Chadema). ACT-W has increased in importance since its merger last year with Civic United Front, the mainly Zanzibari party. However, most CUF members who moved to ACT-W have deep loyalties to Zanzibari political veteran **Seif Shariff Hamad**, ACT-W's 'Senior Advisor' but de facto joint leader with Kabwe (AC Vol 57 No 8). Kabwe's tendency to fly solo, and his flirtation with radical Muslim activist **Ponda Issa Ponda**, may create tensions with his Zanzibari elder.

CCM watchers will be thinking of 2025 as they view the 2020 elections. Despite repeated suggestions that term limits be removed to allow President **John Pombe Magufuli** to stand again, it is highly likely the party will not support them, meaning he will be entering his final term after victory. A successfully managed campaign will see party Secretary General **Bashiru**

Ally in the frame to succeed him.

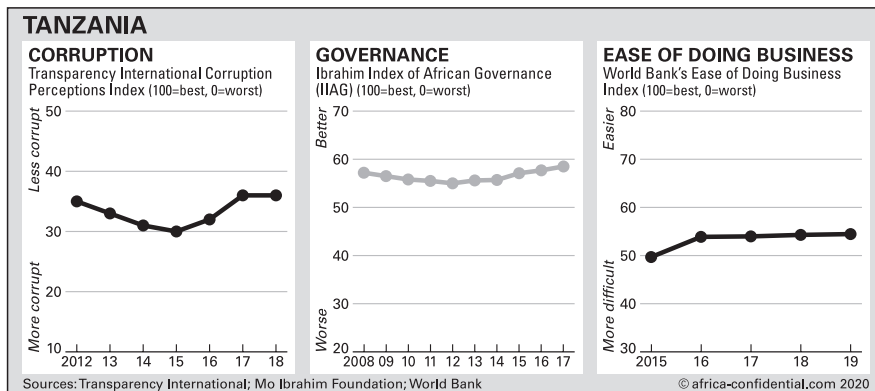
Since his appointment in 2018, Ally has been the public face of the party, aggressively proclaiming its right to rule, and wresting control of party assets away from individuals and factions. His recent dressing down of the United Kingdom and United States ambassadors for expressing concerns over the local elections will have been noticed with approval in State House.

Still ambitious, though maybe not so young, Turks in the CCM such as **January Makamba** and **Nape Nnauye** will position themselves as loyalists for the duration of the campaign, looking for opportunities over the coming five years (AC Vol 60 No 19). Makamba's recent tease that he has yet to make up his mind whether or not to run for the presidency will likely amount to little.

POLL STRAIN

The election will inevitably strain the economy. The country's stated GDP growth of 6.9% for the first quarter of 2019 contrasts with a World Bank estimate of 5.6% (AC Vol 60 No 13). This will be on top of public investments such as the controversial Julius Nyerere Hydropower Project at Stiegler's Gorge in the south, and the standard-gauge railway project (AC Vol 60 No 18).

Probably of greater significance in an election year will be agriculture. The sector grew consistently at about 5% every quarter in 2019, with evidence of growth in medium-scale farms and of increased productivity. This



won't benefit the bulk of subsistence-farmers (AC Vol 60 Nos 6 & 7). But it will favour the better-off within CCM at village level, and civil servants with agricultural projects on the side. This is the class that will decide the election in much of the country.

FISCAL DEFICIT

Increased public spending in an election year will give growth a caffeine-like boost, but will strain already weak public finance management. Underperformance in

revenue collection has driven domestic borrowing and will contribute to a widening fiscal deficit, and a tightening credit market for the private sector. Business has had a difficult four years under President Magufuli (AC Vol 58 No 5). There is unlikely to be any let-up in the predatory regulation of the private sector. Indeed, Regional and District Commissioners are likely to lean even more heavily on business for campaign donations. It could be a difficult year for targeted businesses.

Tanzania has been doing well in its regional relationships. Relations with Kenya improved following the 'handshake' between President **Uhuru Kenyatta** and President Magufuli's close friend, **Raila Odinga** (AC Vol 59 No 6 & Vol 60 No 19). Relations with **Rwanda**, strained under President **Jakaya Kikwete**, will continue to be smooth.

Of greater concern in 2020 will be Tanzania's neighbour to the south, **Mozambique**. The insurgents in Cabo Delgado province are intensifying their attacks, showing greater sophistication and widening their range of targets to include foreign interests. Mozambique's response so far has been inept (AC Vol 60 No 21). If the insurgents continue to have the upper hand, they may prompt Tanzania to consider armed intervention. In recent months there have been at least two attacks on Tanzanians near the historically porous border, while Tanzanian recruits to the insurgency continue to move into Mozambique. Regional neighbours, and the international community, would be unlikely to disapprove of such an intervention. ●

ZAMBIA

Point of no return

Public finances head south while the Patriotic Front clamps down on dissent ahead of next year's election

The ruling Patriotic Front's continued state of denial about the country's dire debt situation sees the year begin with loan defaults, dwindling state revenues, disintegrating public services and unpaid civil service salaries. The government's failure to make a €6 million loan repayment on its military transport aircraft – one of a raft of delayed loan payments, including to **Chinese** lenders – signals immense pressure on the state coffers. Debt is expected to worsen this year and approach 100% of GDP (AC Vol 60 No 24).

The government has withheld all other payments, including public salaries, rather than miss a debt repayment. But the government now has to foot the bill for millions of dollars of unplanned payments after becoming embroiled in expensive litigation and trying to alleviate politically dangerous power shortages.

The ostensibly stable state of the country's foreign reserves, though extremely low, paint a misleading

picture. They remained at between US\$1.3 and \$1.4 billion last year, despite another year of heavy debt-service payments. This is in contrast to 2018, which saw the reserves decrease by \$350m to \$1.5bn after debt repayments of almost \$1bn were made. But the apparent stability in 2019 was partly thanks to a change in the law which obliged mining companies to pay royalties in US dollars instead of kwacha, as well as a rise in late and missed payments.

Royalty revenues were, in fact, lower than in previous years because copper production fell by more than 100,000 tonnes last year. The Chamber of Mines in December formally issued stark warnings of a continued drop in production as a result of what they see as an exceptionally aggressive tax regime. The International Monetary Fund expects growth to have slowed to just 2% in 2019 and for the slump to continue owing to 'absent policy adjustments.'

Royalties paid in dollars means

higher domestic borrowing and arrears to make up for the shortfall in kwacha revenues. Pressure on the reserves is likely to be heavy in 2020, as no obvious windfall is due this year and debt service will likely become more expensive as the kwacha continues to weaken. It begins the year at 14 to the US dollar, down from 11.9 at the start of last year. The reserves are too low for the Central Bank to intervene to prevent further depreciation of the kwacha, should it come under further pressure, analysts say.

The currency is highly vulnerable to shocks, such as that which befell it in December when the government was forced to sell dollars to pay off a historical debt to **South African** power utility Eskom as part of a deal to secure emergency power after drought and management factors led to severe shortages. The drought has also contributed to serious food shortages.

LENDERS LENDING

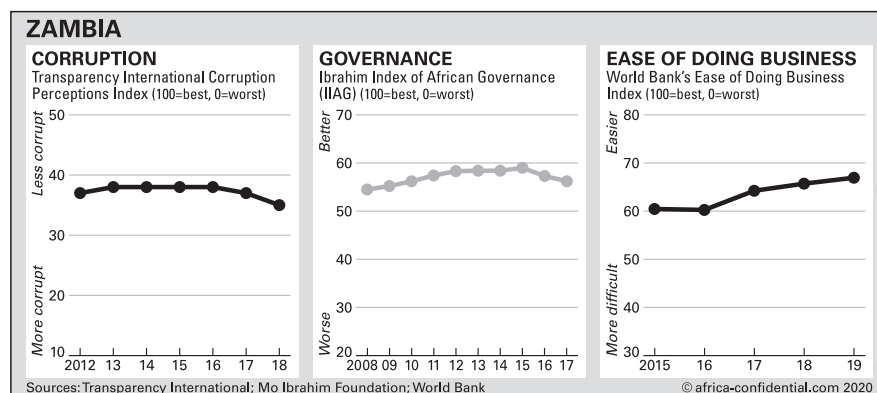
In this difficult economic climate, debt service could exceed 50% of the monthly budget, yet the government is still borrowing – as it has since 2017 (AC Vol 58 No 25). Since then, official debt to GDP has risen sharply in line with the debt already contracted in 2017. Now, the IMF expects it to exceed 90% at the end of 2019 – up from 78% in 2018. Finance Minister **Bwalya**

Ng'andu wrote to several lenders in November to cancel the disbursement of funds in an effort to honour a pledge to stop the debt ballooning further, *Africa Confidential* has been told. But the high interest rates secured by the lenders because of Zambia's poor credit rating means their appetite for lending continues. After complaints to State House from lenders, Ng'andu has been forced to allow the disbursements to go ahead. Political pressure on the bank for disbursements to continue regardless of the bank's advice is a historical problem that is likely to persist.

While disbursements on new projects continue, others, such as Chinese-built roads and airports, have stalled because of delayed payments to contractors and shortages of financing. Construction of the \$2bn Kafue Gorge Lower hydropower station, which was expected to start generating power this year, is stalled after state power company Zesco failed to secure further financing. Zesco had created a special purpose vehicle through which to borrow for the project, with more than \$1.2bn already disbursed. But Chinese insurer Sinasure has refused to underwrite a further loan, we understand, leaving the project in limbo. The contractor, Sinohydro, is also Chinese. Sources dealing closely with the Chinese companies say that Zambia's financial predicament is causing tension between them and their insurers and lenders.

Such is the quantity of Chinese debt that financial analysts say it should be the priority for restructuring, but apart from vague talk within the ministry no progress has been made in this direction.

However, Eurobond holders expect this to be done before Zambia attempts to restructure its \$3bn debt to them. The current economic outlook leaves little hope that Zambia will be able



to pay the \$750m due in September 2022 for its first of three Eurobonds, so a restructure is imperative although it could come at heavy cost. An IMF programme remains unlikely given the government's determination to continue borrowing.

LUNGU'S SPATS

The fragile economy leaves the PF's electoral war chest vulnerable as the 2021 election draws nearer. Commentators have remarked that President **Edgar Lungu** is being distracted by pointless quarrels, such as his spat with **United States** ambassador **Daniel Foote** over the latter's publicly expressed dismay with the sentencing by the courts of two gay men to 15 years in prison. Lungu demanded Foote leave and he was recalled in late December. Foote also accused the PF of corruption, further raising the government's ire. Even though the US provides \$500m a year to Zambia in HIV/AIDS support, Foote did not to attend ceremonies for World Aids Day on 1 December because of threats against him.

Foote said Lungu's government 'wants foreign diplomats to be compliant, with open pocketbooks and closed mouths', and suggested that relations with the US were strained.

The Foote furore embodies the atmosphere of intimidation and intolerance that is becoming the hallmark of Lungu's tenure, say local commentators. Support for the PF has been steadily declining since Lungu's victory in 2015 and the PF has responded with efforts to force loyalty and silence dissent (AC Vol 59 No 18). Many have been disappointed with the failure of **Hakainde Hichilema** and his United Party for National Development to capitalise more effectively on the PF's record, but oppositionists believe it will do much better this year.

JET DEBT

Plans to change the constitution, which would give Lungu greater powers and a third term of office, remain on the table. The democratic space is narrowing and opposition politicians are frequently jailed and public protest firmly shut down. As feared by commentators at the time of the purchase of the C27J twin-engined military transports, the government has been using at least one of them in political campaigning, we hear, in December and was used to transport Lungu's wife **Esther** on one occasion. Payments for the planes remain in default. ●

CÔTE D'IVOIRE

Portents over the presidency

Rumours swirl around who the candidates will be and whether any of them can quell simmering public resentment

Ivorians go to the polls in October in what promises to be a no-holds-barred battle for the presidency. The main contenders are familiar – possibly too familiar to satisfy a restive populace – but nothing is decided yet, especially whether President **Alassane Ouattara** intends to bid for a third term. Experts are still divided on whether this would

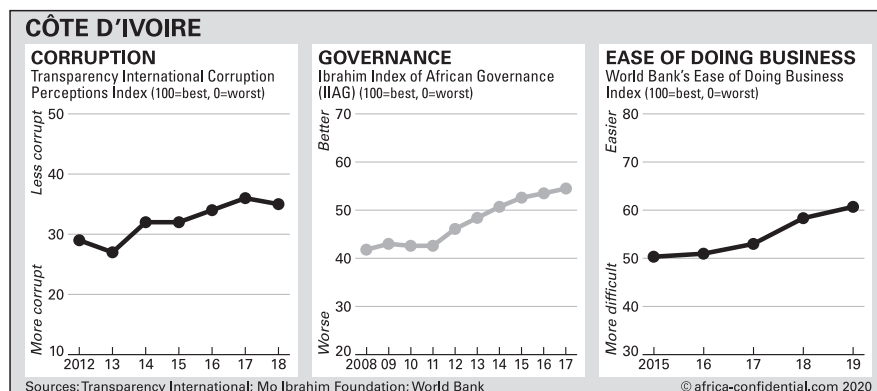
be constitutional.

The omens are not encouraging. **Guillaume Soro**, the former militia leader and the only politician yet to have declared his intention to stand, was flying to Abidjan from Paris on 23 December when his private jet diverted to Accra after Soro learned of what he claimed was a planned attack on

him on arrival in Abidjan. Soro took the plane back to Paris as Ivorian national television announced that an international arrest warrant had been issued against him for corruption and attempting to destabilise the state.

The government released an audio recording allegedly of Soro discussing a coup and published photos of guns purportedly found in his office and at the seaside resort of Assini.

Although the moves are clearly designed to thwart Soro's presidential bid and shut down his political organisations, the *Rassemblement pour la Côte d'Ivoire* and *Génération et Peuples Solidaires*, it is not yet clear whether they will succeed. Such *Sturm und Drang* is not unusual in Ivorian



politics. After all, similar moves were made against Ouattara and they never stopped him becoming president. And Ouattara's former partner, now rival, **Henri Konan Bédié** was deposed in a coup 20 years ago.

Bédié, who leads the *Parti démocratique de Côte d'Ivoire* (PDCI) was among the many politicians Soro had been consulting over building an alliance. The ex-Speaker of parliament claims to have agreed an electoral pact with Bédié, under which each commits to standing down for the other if he is better placed to take on the governing party candidate in a second round.

RESTIVE YOUNG

While they look in control of their respective parties, PDCI boss Bédié, 85, and Ouattara, 77, leader of the *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP) will find it increasingly difficult to keep their young and restive rank and file in check. A third former head of state dominating the Ivorian political scene, **Laurent Gbagbo**, 74, appears not to face such problems in the *Front Populaire Ivoirien* (FPI) he leads from exile in Brussels. But he is on conditional release from the International Criminal Court and under a ban on making any political utterances until the ICC prosecutor's appeal against his acquittal of human rights offences is resolved. That could be many months away. In the meantime, his challenge is to hold together and increase the appeal of a fragmented political force.

Bédié faces opposition within his party. **Kouassi Kouame Patrice**, a deputy for Yamoussoukro, set the tone shortly before the PDCI's latest Political Bureau meeting in December, when he questioned the wisdom of participating in an election loaded against the party. The opposition claims the electoral commission is packed with Ouattara supporters. The Bureau issued a terse statement that it would name its candidate in June, the same month Ouattara says he will reveal his own plans.

Having presided over an economic resurgence and Côte d'Ivoire's restoration as a heavyweight regional diplomatic player, the President seems tempted by the prospect of a graceful retirement, basking in the glory of having authored the plan to convert the eight-member West African CFA franc bloc, the *Union économique et monétaire ouest africaine* (UEMOA), into the founding core of West Africa's long-planned common currency, the eco.

The currency's exchange rate will still be fixed against the euro under a **French** guarantee, and interest rates governed by the European Central Bank in Frankfurt, but member countries will no longer have to deposit half their foreign exchange reserves with the *Banque de France* – a cause of growing resentment – and France will no longer have seats in the UEMOA governing institutions.

However, Ouattara appears unconvinced that either of his two potential chosen successors – the politically wooden Prime Minister **Amadou Gon Coulibaly** and or the Defence Minister **Hamed Bakayoko** – can be counted on to deliver victory and protect the RHDP legacy. And so his mind turns to a possible run for a third term, perhaps facilitated by yet further changes to the constitution, first announced a year ago (AC Vol 59 No 14).

COALITIONS

Two brittle coalitions will challenge Ouattara's political machine: the *Coalition pour la démocratie, la réconciliation et la paix*, built around the PDCI, and the *Ensemble pour la démocratie et la souveraineté*, based on the FPI. The former is likely to win in the central heartland of the predominantly Baoulé cocoa planters, where the PDCI has its traditional support base. EDS is likely to garner support in the West, where Gbagbo constructed his political base on real or perceived popular resentment at being held back by the rest of the country and/or 'foreigners'. That leaves the North to the RHDP and

Abidjan as the great battleground. But who will come out to vote for these old men?

There are growing signs that an increasingly youthful electorate is heartily fed up with the trio that has dominated Ivorian politics for three decades. This was the vote Soro expected to pick up, campaigning on issues the government has neglected: redistribution of wealth and reconciliation (AC Vol 57 No 9 & Vol 60 No 4). And as a native of the north, he could also hope to siphon off a slice of the RHDP's voter base in the region. An alliance between the former speaker and the Bédié and Gbagbo camps would be a potent challenger.

This is why Soro and his supporters believe he is being stitched up by the old guard and excluded from the contest.

RURAL POVERTY

Ouattara, despite taking some much-praised action with Ghana to increase the value of cocoa exports, has built the Ivorian economic recovery on relatively narrow and largely urban foundations; development in provincial areas has lagged. Moreover, competition from new cocoa producers in South-East Asia has become increasingly tough (AC Vol 60 No 12). The government's laissez-faire policies have also produced glaring inequalities which continue to grow, with almost half the population already living below the poverty line.

Freshly tarred roads, new bridges and flyovers adorn Abidjan, but living conditions in disadvantaged suburbs like Abobo, Adjamé and Yopougon (a Gbagbo stronghold) are poor and riddled with violent crime.

National reconciliation was announced amid much fanfare but never happened and has never been a Ouattara priority.

He has not kept his promise that justice would be served. The most flagrant example of this was the Duékoué massacre, where up to 800 people may have been murdered at the end of March 2011 (AC Vol 55 No 7). The perpetrators have never been brought to trial because the former rebel commanders (*com'zones*) believed responsible populate Ouattara's security apparatus and are alumni of the *Forces Nouvelles* (FN) militia, which was led by Soro (AC Vol 58 No 3). A third term would see continued protection for his former colleagues, although some were recently 'kicked upstairs' into comfortable but less influential sinecures.

Popular anger at inequality, the impunity of the elite, at crime and a volatile, disenfranchised youth are

unlikely to be contained by the current political system, especially if Ouattara stands again. While outwardly a vibrant

democracy, beneath Côte d'Ivoire's surface lies the potential for furious violence. The north, once the seat of

FN power, is close to the now heavily destabilised **Mali** and **Burkina Faso** and instability could spill over. ●

GHANA

Presidential action replay

The odds favour the incumbent in this year's presidential elections – a return match of 2016 – but by a much-reduced margin

Eleven months ahead of national elections, the best guess is that President **Nana Addo Akufo-Addo** will win more narrowly than he did in 2016 and his New Patriotic Party's (NPP) parliamentary majority will be cut.

In 2016 Akufo-Addo prevailed over then-President **John Dramani Mahama** of the National Democratic Congress (NDC) by over a million votes (AC Vol 59 No 23 & Vol 57 No 25). Then, as now, the core issues were the strength of the economy, fighting corruption and keeping Ghana secure in an increasingly dangerous region.

On paper, the Akufo-Addo government is succeeding. It has doubled economic growth to 7% over the past three years and halved the inflation rate to 7.7%. Yet according to a poll late last year by the respected Afrobarometer organisation Ghanaians were unimpressed. Just 30% thought economic conditions were fairly or very good; 66% said the government had failed to narrow inequality; 54% that it was not creating enough jobs. And 59% concluded that the country was heading 'in the wrong direction'.

Before the opposition draws much comfort from those verdicts, the Afrobarometer pollsters found little nostalgia for the days of the NDC. Rather, it shows that many voters are impressed by neither main party.

It is a sharp reminder to the NPP that its message of competent management and statistical success has not gone down well in cities such as Accra and Takoradi, although Kumasi in Asante region remains its main stronghold.

Many accept that the NPP inherited a raft of economic problems in 2017 such as over US\$3 billion of debts owed on uneconomic power projects, a succession of badly negotiated contracts and a shaky financial system.

But equally, there is sharp criticism of some of the government's policy choices and its lack of openness about how – or even whether – it is renegotiating many of the corrupt and bad value contracts that it had criticised when

in opposition. The messy renegotiation of a gas turbine contract with the Dubai-based Ameri company which ended in the sacking of Energy Minister **Boakye Agyarko** raised still more questions about the government's accountability.

This year, the credibility of the NPP's pledge to fight corruption will be tested again with the performance of the newly established office of the Independent State Prosecutor **Martin Amidu**, a former Attorney General in an NDC government. Initially welcomed, it has achieved little so far, being seriously under-resourced and its establishment having been delayed.

CABINET RELATIONS

The other main point against the government on its use of public funds is its appointment of 123 ministers, the highest number in Africa, and the power and influence of a narrow band of family networks, known as the Akyem mafia.

To counter such criticisms, ministers are already in election mode promoting the virtues of the free secondary education programme, reforms of national health insurance and commissioning a succession of road, rail, dam and power projects.

They could still get caught out on the NPP's 2016 campaign promise of one new factory in each of the country's 260 districts. On any measure it is nowhere near that target: it says it has

commissioned over 90 factories; the NDC says it is less than 30 but claims its last government commissioned over 1,000 factories. Fake news and fake figures pepper the election campaign.

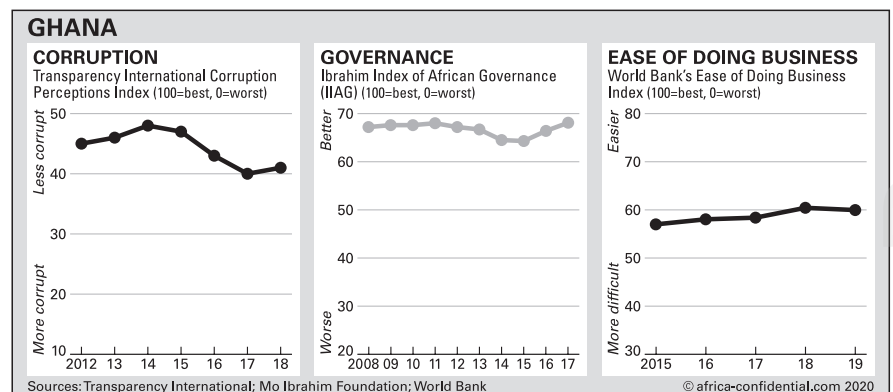
The NDC is beginning to mobilise in urban areas, demonstrating against the electoral commission's plans for a new electoral register. Although it has a few star performers in parliament, the NDC is struggling to land punches on the NPP, even when it has a clear issue to campaign on – such as the cancelled electricity privatisation contract (AC Vol 60 No 21).

Historically, the NDC's strength has been its local organisation and regional spread. But the NPP has been boosting its organising in NDC strongholds over the past three years, so much so that civil society groups are warning about the risk of pre-election violence.

As a matter of national pride, the government has made much of its April 2019 exit from the IMF Extended Credit Facility programme, having for the most part met the required fiscal targets. However, if the recent bailouts of the financial and power sectors are included, that could push Ghana's true, rather than headline, 2020 fiscal deficit above 6% of GDP (AC Vol 60 No 23). That is above the 5% limit of the 2018 Fiscal Responsibility Act, yet lower than IMF estimates of the deficits over three of the past four years.

The deficit may yet increase should Akufo-Addo and Finance Minister **Ken Ofori-Atta** boost election-year spending over the projections in the 2020 budget. The other risks are that state revenues fall short of targets, and further financial and power sector liabilities emerge.

An increase in Ghana's debt-to-GDP levels (currently above 60%) and debt-service payments appears likely whether or not Ghana issues a Eurobond of up to US\$3 billion early this year.



Ghana's real GDP growth is set to slow in 2020 from the approximately 7% for 2019 projected by finance minister Ofori-Atta and the IMF. That depended partly on heightened oil sector growth which is unlikely to be matched this year. Projected growth is in the region of 6%, significantly above Africa's average.

Ofori-Atta is optimistic that Ghana's industrial sector, the centrepiece of the NPP's economic policy reforms when Akufo-Addo took office and currently accounting for approximately one third of Ghana's GDP, could expand by over 8% this year. Yet this headline growth figure is also driven by commodity output and could – according to the finance ministry – slow by a hefty five percentage points next year. Lower oil output is the main reason.

New oil field developments,

including at the offshore Pecan field, remain critical for oil sector growth and revenues in the medium term. The December departure of Tullow Oil's chief executive, **Paul McDade**, in part due to weaker production and performance in Ghana, points to several unresolved problems in the sector.

CEDI PRESSURE

The central bank hopes that inflation, which has recently fallen to around 8% partly due to revisions in Ghana government statistical methodology, will be kept under control in 2020. Yet the coming year could see more pressure on the cedi, which last year again depreciated against the US dollar by about 13%.

The government's backing of the new West African eco currency looks less like policy and more like rhetorical support

for Akufo-Addo's close ally, **Ivorian** President **Alassane Ouattara**, who announced the new currency standing alongside **France's** President **Emmanuel Macron** in Abidjan. Ghana says it would join the eco currency zone, and thus the *Union économique et monétaire ouest africaine* (UEMOA), only if it dropped its peg to the euro. However, interest rates for the eco are, so far, to be set by the European Central Bank.

Akufo-Addo has worked very closely with Ouattara on trying to set a global floor price of US\$2,100 a tonne for the cocoa produced by their countries, the world's two biggest producers. It was to be 'Choc-pec', a price-setting cartel for cocoa, but they suspended the plan last July because of their short-term need for cash (AC Vol 60 No 12). Both men hope to continue their partnership after their respective elections this year. ●

MALI

Advantage jihadists

Domestic political jockeying and stop-start funding for peacekeeping leave Bamako a sitting target for the Islamist insurgents

For President **Ibrahim Boubacar Keïta** the new year brings renewed diplomatic pressure – and not just from an international community exasperated by the lack of progress in implementing the 2015 Algiers peace deal. He may also feel heat from fellow West African heads of state whose countries are suffering the bloody overspill from local tensions and jihadist violence that now extend from the inland delta of the River Niger west of Mopti to the frontier with Niger far in the east.

At a summit in Ouagadougou in September the Economic Community of West African States assumed political leadership of the struggle to stabilise the Sahel, with the region's leaders

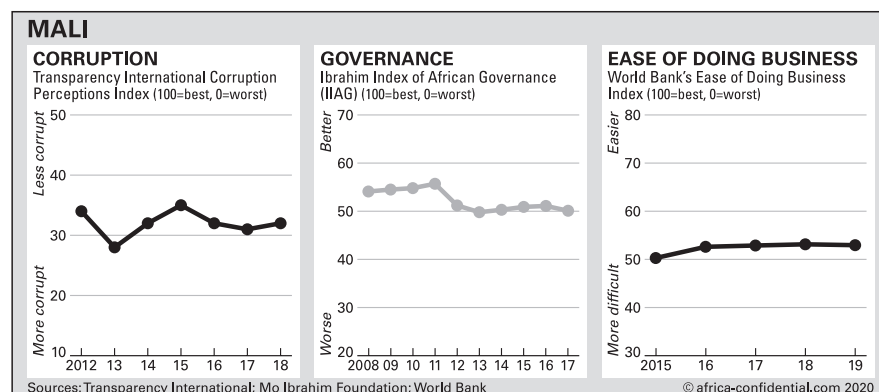
committing themselves to develop concrete plans (AC Vol 60 Nos 21 & 22). The failure of the local response to rampant jihadi violence is causing the coastal states sleepless nights. Towards the end of the year the governments of the G5 alliance (**Burkina Faso**, **Chad**, **Mali**, **Mauritania** and **Niger**) agreed that it would make sense to establish common positions before an early 2020 strategy summit with President **Emmanuel Macron** of **France**, postponed from 16 December (AC Vol 60 No 25).

The aim is for a re-energised diplomatic effort to strengthen the regional push to tackle the jihadists. But Europe privately hopes it will also push Mali's government and political class into a more serious effort to

implement the Algiers agreement for peace in northern Mali – and thus ease the local grievances that fuel jihadi recruitment. The opposition *Union pour la République et la Démocratie* alliance, led by **Soumaïla Cissé**, prefers to gripe about being cheated of election victory in 2018 rather than join Keïta's 'national dialogue' to agree a common stance towards resolution of the crisis (AC Vol 60 No 19). Implementing Algiers will not, of course, pull the rug out from under the jihadists, but it would show a level of political will that has been lacking so far.

Beyond Mali there is a reasonable chance that the coming months will bring improvements in regional security strategy. Under the 'Accra process' launched by President **Nana Akufo-Addo** of Ghana, coastal states have already stepped up their coordination of security measures to counter the risk that jihadist groups will penetrate further south. **Côte d'Ivoire** is also despatching additional troops to join the UN's *Mission multidimensionnelle intégrée des Nations Unies pour la stabilisation au Mali* peacekeeping force. These measures should dovetail with the G5 states' efforts to strengthen their own joint force, deployed to tackle armed groups in border areas. But critics say Minusma's peacekeeping and nation-building mandate hinders its ability to strike against jihadi forces or coordinate freely with France's *Opération Barkhane* force.

Only optimists would predict any great military progress in curbing jihadist activity in Mali and adjacent regions of Burkina Faso and Niger over the coming year. The G5 force is still hampered by inadequate funding and leadership. By late last year, more



than 20 months after it was originally pledged, the force was yet to receive €100 million in promised assistance from **Saudi Arabia** and it remains unclear when the money, or the equipment it is supposed to pay for, will be delivered. Military trainers from the European Union despair at corruption and ineffectiveness in the *Forces armées maliennes*, which has a long history of poor leadership. The final months of last year saw up to 100 troops killed in jihadi raids (AC Vol 60 No 8).

Despite some initial pledges, it also remains to be seen which countries will contribute combat troops to Takouba, a European Special Forces operation in support of *Barkhane*. So far, it looks as though the French will continue to carry the burden of offensive action against the jihadis, not always with the political support of Keita or the thanks of an increasingly sceptical and resentful Malian public.

The political outlook is equally uncertain. Few would bet on Soumaïla Cissé abandoning his partisan sulk and joining the dialogue effort even though – as a native of Timbuktu – he might

be able to exercise valuable influence in promoting reconciliation among northern groups. His former ally **Tiébilé Dramé**, who last year chose to join the government as foreign minister, has been practically disowned by the opposition.

NORTHERN CHALLENGES

There is equally little to suggest that Keita will inject more energy into re-establishing the state's presence and public services in northern areas such as Kidal, or encouraging the fragile local mediation that has begun to develop in the Mopti Region. This is a key challenge for Minusma's mission and the sine qua non of any long-term programme to counter the causes of insurgency. The President seems most likely to leave these efforts to his assiduous Prime Minister, **Boubou Cissé**; but the premier is a technocrat, who can deploy public service money and personnel but probably lacks the political clout to make decisive progress.

The outlook for disarmament and demobilisation of northern non-jihadist groups is not entirely negative. It may be too much, however, to hope for a

step change in the pace at which their fighters are gathered into cantonment centres and later reallocated to units of the armed forces or vocational training programmes to prepare them for civilian life. Military mistrust may hamper the process, because some Tuareg rebels who had been integrated into the armed forces after the 1990s rebellion mutinied in 2006.

As the country faces the rapid spread of jihadist violence, and an increase in attacks and massacres carried out by Islamic State in the Greater Sahara (ISGS) in particular, it is easy to see the situation as beyond redemption (AC Vol 60 No 2).

Without stronger efforts to advance disarmament, demobilisation and reintegration and to restore basic services and administration in northern areas, it will be difficult to contain the alienated pessimism that acts as an effective recruiting tool for militant groups. Yet Bamako is far from the centres of conflict in the 'other Mali', as some call the north, and the will of the capital's political class may not be equal to the challenges. ●

EGYPT

Polls, poverty and protest

Economic policy aims to spur growth and investment, while the regime keeps an iron fist in reserve for mass unrest

President **Abdel Fattah el Sisi**'s government hopes this year to build on the stabilisation of Egypt's macro-economy over the past three years to deliver tangible improvements to living standards through stepped up investment in social sectors and infrastructure. It wants to mitigate the effects of a sharp increase in poverty in the past five years, not least to help suppress the recurrence of recent protests against corruption and the repression of political freedoms.

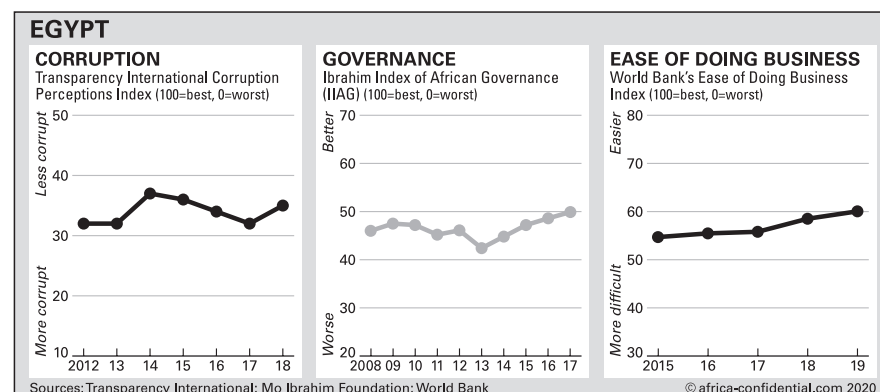
Egypt will have up to three elections this year; for the lower house of parliament, the restored upper house and for local councils. The parliamentary elections will be based on the amendments to the constitution that were approved in a referendum in April 2019 (AC Vol 60 No 8). These were notable mainly for extending Sisi's potential stay in office until 2030, but they also included changes to the make-up of parliament: the lower chamber, the House of Representatives, will have 450 members instead of 596 and at least one-quarter of the seats will be reserved for women; the upper house,

the Senate, which was abolished in the 2014 constitution, will be restored, with 180 members, of whom two-thirds will be elected and the remainder appointed by the president.

Local elections are long overdue but will require new legislation before they can go ahead. In the build-up to the parliamentary elections, Sisi and his advisors in the intelligence services are likely to focus on trying to develop the main loyalist political party, the Nation's Future, into a powerful electoral

machine. There will be limited scope for any genuine opposition challenge, but, as with most Egyptian elections, a significant portion of the vote is likely to go to independent candidates supportive of the presidency.

The potency of the Islamist insurgencies in northern Sinai and the Western Desert has diminished, but sporadic attacks on the security forces, as well as periodic terrorist incidents, are likely to continue (AC Vol 60 No 15). The main concern of the authorities will be to prevent public protests along the lines of the brief flurry of demonstrations in September and the much more intense popular agitation in **Lebanon, Iraq, Algeria and Sudan**. In the wake of the September protests, the authorities arrested more than 4,000 people (AC Vol 60 No 19). The government is unlikely to loosen its tight repression of political freedoms, but



may consider some cosmetic measures to placate international critics.

The main external security threat relates to **Turkey's** projection of its regional power in the eastern Mediterranean and **Libya**. It does not pose a direct threat to Egypt, but Sisi will continue to work within a broad regional and international alliance including the **United Arab Emirates, Russia, France and Greece** to counter the Turkish moves (AC Vol 60 Nos 8 & 20). The dispute with Ethiopia over the Grand Ethiopian Renaissance Dam will prompt speculation about the risk of military conflict, but Cairo is likely to focus its energies on negotiations to stretch out the period of filling the reservoir behind the dam, and on adjusting its own water policies to achieve greater efficiency (AC Vol 60 No 22).

NEW FOCUS

Having completed the three-year, US\$12 billion IMF Extended Fund Facility programme in 2019, the government will look to shift its focus from macro-economic stabilisation to investment-led growth and poverty reduction (AC Vol 59 No 8). The government is aiming to sign a precautionary stand-by arrangement with the IMF early this year to provide a structure for continued policy consultation and, if required, financial support. Real GDP growth has averaged about 5.5% in the past two years, but this performance has relied heavily on trade-related factors stemming from devaluation,

and from the rapid expansion of the energy sector.

Private consumption growth has been only about 1%, and this has been reflected in increased poverty rates, as shown in the most recent household income survey, which calculated that 32.5% of Egyptians were living below the World Bank-assessed poverty line in mid-2018, almost five percentage points higher than in the previous survey three years earlier.

Prospects for increased private consumption have improved as inflation fell sharply last year to about 3% in the final quarter and the Egyptian pound appreciated by more than 10% during the year. This allowed the government to reduce fuel prices following a series of hikes that had been aimed at ending most energy subsidies.

Overall economic growth is likely to exceed 6%, boosted by ongoing investment in infrastructure, in particular rail transport, and in construction, including the new administrative capital. Government offices will start the migration from Cairo to the new city during 2020. The recovery of the tourism sector will be boosted during 2020 by the opening of the Grand Egyptian Museum, next to the Giza Pyramids.

As a result of higher growth and lower interest rates, public debt is likely to fall to about 80% of GDP, having peaked at over 100% in 2018. External debt is likely to reach a plateau of about \$110bn, after having doubled in the

previous four years. The government will seek to direct more resources into social sectors, with the roll-out of a universal health coverage scheme and the implementation of education reforms backed by \$500 million from the World Bank.

GAS SOLID

Production of natural gas is likely to stabilise at about 7.5bn cubic feet per day with the completion of the final phases of ENI's Zohr field development and of BP's West Nile Delta project. The supply of natural gas will be augmented by the start-up of the pipeline from **Israel's** Tamar and Leviathan offshore fields, which should allow for a ramping up of exports from Egypt's Idku and Damietta liquefied natural gas plants. Exports from Idku increased during 2019, but the government has hesitated to allow operations at Damietta to resume because of the sharp fall in global LNG prices, and natural gas production was reined in towards the end of 2019. The government is looking to start the process of exploring a potential oil and gas region in the Red Sea, following a recently launched inaugural bid round.

Interest in Egypt's gold-mining sector has been stimulated by the passage of a mining law providing higher returns for operators, as well as by a takeover bid launched in late 2019 by Endeavour, partly owned by Egypt's Sawiris family, for Centamin, a London-listed company that is currently Egypt's sole commercial gold-mining venture. ●

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CONFLICT AND SECURITY

Multilateralism falters as crises multiply

Sprawling conflicts in 13 conflict-wracked countries are dragging down indices for social progress, economic growth and stability. The second of our special forecast editions focuses on security

Out of 1.2 billion people and 54 countries, the security crises afflicting over 25 million people in 13 countries are having a disproportionate effect on the continent's fortunes as its leaders prepare to launch the African Continental Free Trade Area in July and make good on pledges to outlaw the trade in small arms. Yet the ambition to establish a single market across Africa has not been accompanied by parallel efforts to help the movement of labour to faster growing economic regions.

'That is a political project,' a senior official at the African Development bank told *Africa Confidential*, 'and we have learned from the failures in Europe with regard to those issues. Economic – but definitely not political – integration is the aim.' But it is hard to separate the two.

A civil war cuts a country's economic growth by at least 2 percentage points a year, and that of neighbouring states by at least 0.5%, according to World Bank studies of conflict zones. Far beyond their geographic boundaries and local political interests, civil conflicts are unpicking societies at a time when governments want to raise capital for mega-investments in roads, railways and ports.

Many of the confrontations are outgrowths of unresolved conflicts, festering for a decade or more. For example, the latest wave of conflicts sweeping the Sahel (see map and analysis on the following page) have their genesis in the nationalist and Islamist insurgencies launched against Mali's civilian government in 2012.

In neighbouring **Burkina Faso**, local preacher **Ibrahim Malam Dicko's** *Ansarul Islam* militia launched a spate of attacks three years ago in the north of the country (AC Vol 58 No 6).

Dicko was killed by Burkinabè security forces but his militia has spread its Islamist insurgency across much of the north and the east. Today there are grave concerns about President **Roch Marc Christian Kaboré's** ability to rein in, let alone defeat, Dicko's successors.

It is the incline of those trend lines that most trouble defence and security officers across Africa. Each year since 2014, on average over 1.4 million Africans have been forced from their homes.

SMUGGLING PEOPLE

Over 60% of these people stay within their own country and over 95% stay on the continent. Despite those figures, European governments, particularly **Britain, France and Germany**, premise much of their effort to boost regional security – in the Horn, the Sahel and Libya – on the imperative of cutting migration (AC Vol 59 No 22). That said, the involvement of transnational crime syndicates in people-smuggling is further undermining state structures and efforts to strengthen governance.

Commercial incentives drive the people-smuggling operations across the Sahara, reckoned by European Union monitors to be earning the syndicates over US\$750 million a year. Like gold-smuggling in the Sahel – reckoned to be worth over a billion dollars a year by

Reuters news agency – much of the profit from people-smuggling ends up in the hands of Islamist or nationalist insurgent groups. It reinforces this vicious circle.

The African Security Center, based in Washington DC, argues that the displaced persons' crisis, the by-product of so many of the civil conflicts, has the capacity to do the most social and economic damage. Together with the climate crisis, galloping desertification and deforestation, more devastating flooding, landslides and failing soil fertility are forcing tens, often hundreds, of thousands of people across countries out of their homes and putting unbearable pressure on arable land and scarce resources.

Over the next decade, the predicted rising ocean levels on Africa's coastline, where some of its biggest and most prosperous cities are located, could force another wave of displacement. This is all happening as multilateral initiatives are faltering – whether the lacklustre climate negotiations in Madrid last year or the desperate efforts in Berlin on 19 January to broker a ceasefire in **Libya**.

Another complexity, evident in Libya, is the array of international interests now trying to impose themselves in Africa, picking sides in national conflicts (AC Vol 60 No 16). The European Union is trying to counter the weakening of multilateral efforts to limit, if not end, such regional conflicts. The most serious tests of those efforts this year will be in North Africa and the Sahel where without bigger and wider-range commitments, success looks unlikely. ●

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THE SECURITY CRISIS IN THE SAHEL

Al Qaida in the Islamic Maghreb (AQIM)

Formed by veterans of Algeria's *Groupe salafiste pour la prédication et le combat* (GSPC) who moved into Mali in the 2000s, targeting Westerners for kidnap ransom, AQIM became a key ally of *Ansar Dine* and the secular Tuareg nationalists of the MNLA in the 2012 takeover of the Malian north and the imposition of purist Islamic ideology on the population of Timbuktu. Now it is mainly active in the northwest.

Katibat Serma

A less well-known strand within JNIM, this group is active in the Gourma area of Mali between the Niger river and the northern Burkina border. Like the FLM it reportedly provides weapons and training to *Ansar ul Islam*.

Coordination des Mouvements de l'Entente (CME)

Mainly local Tuareg and Arab groups not formally included in the 2015 Algiers peace accord but seeking to be included in the peace process. Mainly active around Timbuktu and in the Gourma.

The Plateforme

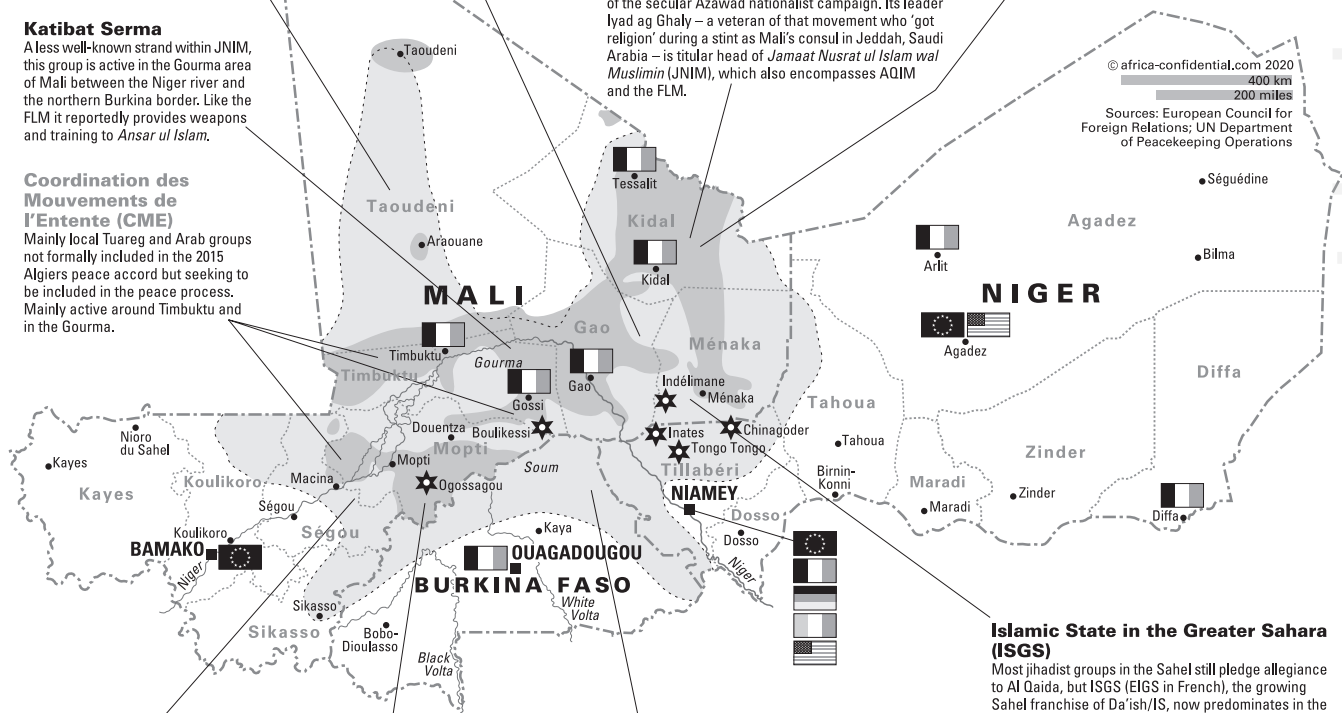
Loosely labelled as 'pro-government', the groups within this alliance are nevertheless substantially focussed on defending their own own sectional interests or particular communities. The alliance encompasses the Imghad Tuareg militia *Groupe Autodéfense Touareg Imghad et Alliés* (GATIA) led by Alhaji ag Gamou as well as the *Ganda Izo* militia – previously known as *Ganda Koy* – drawn from Songhai, Bambara, Peul (Fulani), Bozo and Bella populations, particularly in Niger river valley farming communities. The *Plateforme* and the CMA have often tussled for control of far eastern Mali, but on 12 January they struck a deal to avoid conflict and provide security for the regional capital, Ménéka.

Ansar Dine

Jihadist faction recruited mainly from the Ifoghas Tuareg of Kidal region in the Saharan north-east and its membership may partly overlap with the support base of the secular Azawad nationalist campaign. Its leader Iyad ag Ghalay – a veteran of that movement who 'got religion' during a stint as Mali's consul in Jeddah, Saudi Arabia – is titular head of *Jamaat Nusrat ul Islam wal Muslimin* (JNIM), which also encompasses AQIM and the FLM.

Coordination des Mouvements de l'Azawad (CMA)

The main umbrella grouping of northern Tuareg separatist movements, comprising the *Mouvement National de Libération de l'Azawad* (MNLA), the *Haut Conseil de l'Unité de l'Azawad* (HCUA) and the mainly Arab *Mouvement arabe de l'Azawad* (MAA). Some individuals within the CMA are thought to have retained personal contacts with the jihadists. The alliance also includes the small *Coordination des mouvements et Front patriotique de résistance* (CMFPR) and the *Coalition du peuple pour l'Azawad* (CPA). The latter, led by Ibrahim ag Mohamed Assaleh, has argued for stronger engagement in the peace process.



Front de Libération du Macina (FLM)

Formed by the charismatic preacher Amadou Koufa, the FLM recruits mostly from the Peul (Fulani) population of Mopti region in central Mali and is fuelled as much by tensions over land and access to resources as by ideology. This has brought it into inter-communal conflict with the *Dan Na Ambassagou*, a Dogon hunters' militia, but also raised hopes that the FLM might be amenable to a negotiated peace deal that protected the interests of Peul populations. And there are now tentative signs that mediation over community grievances may be making some progress in curbing the incidence of violence in central Mali.

Dan Na Ambassagou

Militia of *dozos* – Dogon traditional hunters – heavily implicated in the inter-communal violence in Mopti region in opposition to the FLM and other Peul elements. After the Ogossagou massacre of Peuls in March 2019 the government ordered the group's dissolution, but in practice this shutdown has not been fully implemented.

Ansar ul Islam

While Malian jihadist factions have extended into Burkina Faso, the locally-based *Ansar ul Islam* is responsible for much of the violence that has extended across the country, forcing the closure of 1,000 schools and disrupting development. Like the FLM in adjacent central Mali, it was established by a local Peul preacher – Ibrahim Malam Dicko – and fuses religion with socio-economic grievance; Dicko targets the social inequality in Soum region that benefits rural notables – village chiefs and marabouts. Some analysts felt that by mid-2019 *Ansar ul Islam* was on the back foot. But that assessment is perhaps belied by the spreading footprint of violence, even if some attacks are the work of other groups such as ISGS, ranging across the border from Niger and Mali.

Islamic State in the Greater Sahara (ISGS)

Most jihadist groups in the Sahel still pledge allegiance to Al Qaida, but ISGS (EIGS in French), the growing Sahel franchise of Da'ish/IS, now predominates in the three frontiers region where it has killed close to 300 Malian and Nigérien troops in recent attacks. A native of Western Sahara, the ISGS leader Abou Walid al Sahraoui was once spokesman for the *Mouvement Pour l'Unité et le Jihad en Afrique de l'Ouest* (MUJAO), the easternmost element in the militant alliance that took over northern Mali in 2012; this later merged with Mokhtar Belmokhtar's *Signataires par le Sang* to form *Al Mourabitoun*. But Al Sahraoui's May 2015 public pledge of allegiance to Da'ish provoked a split and his creation of ISGS – which finally secured formal recognition from ISIS chief Abu Bakr al Baghdadi in October 2016. The group was formerly seen as a rival to JNIM, but there are signs that some alliance fighters joined recent ISGS attacks.

Across West and North Africa, national militaries constitute the majority of the state forces battling to counter the threats from jihadist militant groups and some units from a number of countries are deployed as part of the two major regional initiatives – the G5 joint force and the MNJTF. Besides these, international forces are present in several Sahelian countries, in a range of programmes and deployments.

Regional operations:

G5 Sahel joint force

Units of 1000 troops each from the five armies of the member states of the G5 Sahel – Mauritania, Mali, Burkina Faso, Niger and Chad – focussed largely on frontier regions, with cross-border hot pursuit rights. After recent attacks Mali has pulled back from remote outposts to better protected main bases.

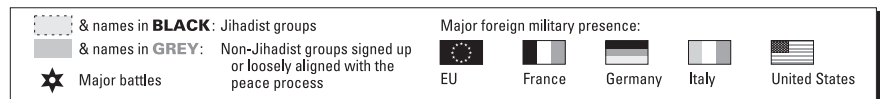
Multinational Joint Task Force (MNJTF)

Coordinated structure for cooperation between the armies of Nigeria, Cameroon, Chad and Niger in fighting Boko Haram and other factions in Lake Chad basin.

United Nations:

MINUSMA (Multidimensional Integrated Stabilisation Mission in Mali)

Peacekeeping 12,647 troops, 1,753 police and 1,180 civilians, from at least 55 countries, in bases across northern Mali. Offensive operations against jihadists are largely constrained by the force's UN mandate, but it does provide non-lethal support to the G5.



Europe:

European Union Training Mission (EUTM)

Since 2013 troops from many European countries have been retraining the Malian army at Koulikoro; they do not have a combat mandate and do not accompany Malian forces on active operations in the field. (The model has now been copied in the Central African Republic, where a sister EUTM mission now operates.)

EUCAP (EU Capacity Building Mission) Sahel

The European Union has deployed two missions to the Sahel under its common security and defence policy (CSDP) – EUCAP Niger and EUCAP Mali – which train national security forces in fighting crime and terrorism and provide some technical supplies. This year they also began training security forces from Burkina Faso and Chad.

Operation Takouba (in preparation)

Several European countries have responded positively to France's appeal for the deployment of Special Forces to the Sahel to complement the work of the severely overstretched Barkhane force; Paris says that the Czech Republic has confirmed its participation. The UK and some Nordic countries are thought to be among those that may participate.

France:

Operation Barkhane

Some 4,720 French troops deployed across the Sahel in a pro-active campaign against jihadist groups. Stabilisation and development support are an increasing priority for units deployed in more populated areas such as the Gourma region between the Niger river and the Burkina border. With helicopters, jet fighter-bombers and other high-tech resources, Barkhane is often a complementary support to operations by the G5 joint force. It is supported by helicopters and troops from Britain and Estonia and, henceforth Denmark. The 13 January Pau summit announced that Barkhane, the G5 force and other units from Sahelian armies will operate under a single command in the three frontiers campaign against ISGS. Operation Takouba special forces from other European countries also seem likely to come under this command.

United States:

Although the US has a long history of training exercises in the Sahel – and four American soldiers died in a jihadist ambush in October 2017 at Tongo Tongo in Niger – its forces are not normally deployed on active combat operations. However, the Americans provide crucial surveillance back-up, from satellites and drones – with a new drone base recently built in Agadez – and they also provide aerial refuelling for French planes and logistical support. Paris is concerned that this critical back-up could fall victim to a planned pruning of the US military presence in Africa and is lobbying hard to persuade Washington to maintain its support in the Sahel.

SECURITY FLASHPOINTS AND MIGRATION IN AFRICA

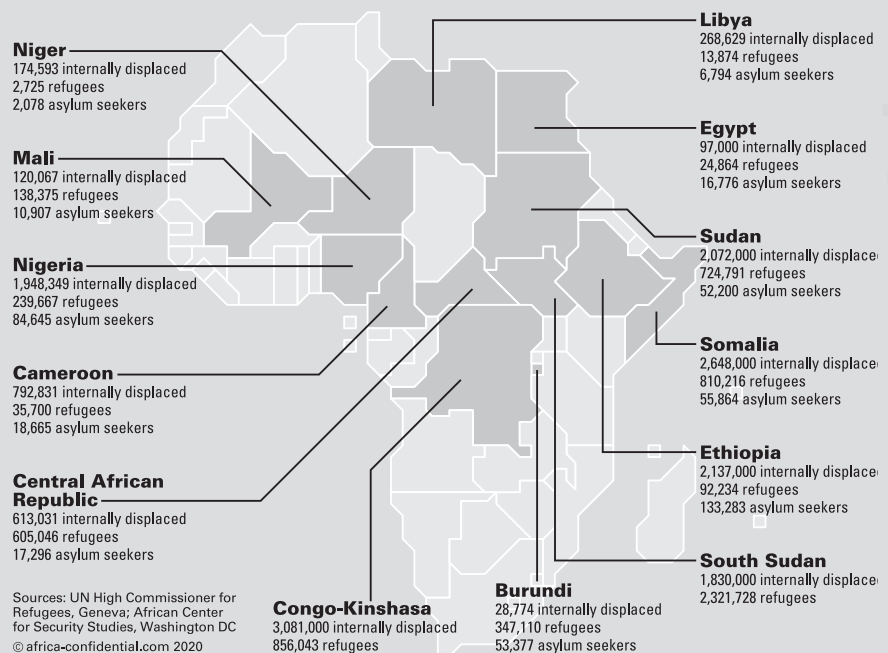
Five sprawling conflicts and crises – in **Ethiopia, Nigeria, Somalia, Sudan** and **South Sudan** – have forced over 10 million people to flee their homes. Of the over 70 million displaced people across the world, according to the office of the UN High Commissioner for Refugees, over a third are in Africa.

Somalia, where the start of the conflict dates back to the 1991 overthrow of the **Siad Barre** regime and multiple foreign interventions, has the highest number of displaced people in Africa. Initially fuelled by clan rivalries, *Al Shabaab's* Islamist insurgency has extended the conflict in high population areas and in neighbouring **Kenya**.

To the north in **Ethiopia**, the drivers of the communal conflicts are more complex still, as the local agencies try to cope with over 2 million internally displaced people. Fluctuating reports about the numbers affected show the volatility in the Oromo region and the Ogaden, which borders Somalia. Prime Minister **Abiy Ahmed's** liberalisation moves, such as the freeing of political prisoners and allowing exiles to return, have been accompanied by a growth of ethno-nationalism. Seeing their interests threatened, local potentates are using militias to counter opponents.

South Sudan's people are scattered within its borders and in large parts of **Uganda** as they flee civil war perpetuated by rival and equally ruthless military leaders mobilising on primarily ethnic grounds. **Congo-Kinshasa's** history of national political competition backed by neighbouring states seeking part of the country's resource patrimony has displaced over 3 million and caused nearly a further 900,000 to leave the nation.

There is a growing focus on west Africa, where the authorities in **Mali, Niger** and **Burkina Faso** and Nigeria suffer from rampaging Islamist militias. A deepening crisis has pitted secessionists in western **Cameroon** against President **Paul Biya's** dysfunctional regime, putting Nigeria at the centre of a threatening system of conflicts. It was 50 years ago this month that Nigeria ended its first civil war. ●



ALGERIA

Desperately seeking legitimacy

The new President will struggle to assert himself and break free from the military and the Deep State

The sudden death on 23 December of military strongman Lieutenant-General **Ahmed Gaïd Salah** may prove more significant for Algeria's future than the election on 12 December of a civilian president, former Prime Minister **Abdelmadjid Tebboune**. Tebboune was closely identified with the late Army Chief of Staff and Vice-Minister of Defence, who was the chief strategist of *le pouvoir* ('the powers that be'), plotting to divert or wait out the mass protests against their monopoly of power and money (AC Vol 60 No 22).

Urged on by *El Hirak*, the protest movement that has dominated Algerian public life since February 2019, Tebboune could yet live up to his claim to be a reforming leader, now that he

is free of Gaïd Salah's micro-managing tendencies. But just as likely is a scenario in which the hapless Tebboune – whose personal shortcomings were all too apparent during a lacklustre election campaign – falls victim to another round of in-fighting within Algeria's enduring Deep State (AC Vol 60 No 25).

Algerian politics remains an elite affair despite the popular uprising: nearing its first year of bringing millions of disaffected Algerians onto the streets, *El Hirak* has still to define a leadership and strategy to deal with – and eventually see off – *le pouvoir* and its political allies, who remain rooted within the military and security elite, despite last year's purge of the

former president's 'Bouteflika clan'. Senior *décideurs* will continue pulling strings while seeking to entrench their influence and privileges (AC Vol 60 No 17). While some *Hirak* faces, including former *moudjahid* (revolutionary fighter) **Lakhdar Bouregaa**, have been released as a gesture of good will by the new president, potential leaders like **Karim Tabou** remain in prison.

Further murderous in-fighting within *le pouvoir* appeared likely when a source with strong security connections reported the 79-year-old general's death some time before the official announcement. Early that morning, he

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told *Africa Confidential* that the official cause of death, a heart attack, was 'still being decided on' by *décideurs*. Whether Gaïd Salah's coronary was fact or fiction is unconfirmed; but the fact there are doubts about the corpulent career-soldier's demise speaks volumes for the shadowy world of Algerian politics.

GENERALS SPLIT

Divisions at the top were already apparent during the election campaign, when a number of generals broke ranks to back an outsider candidate, **Azzedine Mihoubi**, while Gaïd Salah and his most senior aides, Land Army Commander Maj. Gen. **Saïd Chengriha** – who was quickly appointed Chief of Staff on his boss's death – and Air Force commander Maj. Gen. **Hamid Boumaïza**, set their services to support Tebboune. *Direction générale de la sécurité intérieure* (DGSI) internal security chief Gen. **Wassini Bouazza** and Ministry of National Defence secret services co-ordinator Gen. **Mohammed Kaïdi** (who had succeeded Bouteflika's powerful advisor **Bachir 'Athmane' Tartag** in that job) backed Mihoubi. The *Direction Centrale de la Sécurité de l'Armée's* agents have been busy scrutinising officers' political loyalties, which will continue on Chengriha's watch, while he also orders another reorganisation of the security services.

Tebboune is well aware of these manoeuvres and is likely to work closely with Chengriha. But if he is to win over *El Hirak* he must also revive his reformist credentials; these date back to his brief spell as premier in 2017, when Tebboune led a popular anti-corruption campaign that threatened the elite gathered around presidential brother **Saïd Bouteflika** (AC Vol 58 No 17). But the implication of his son **Kamel Tebboune** in the notorious El Bouchi cocaine seizure diminishes his credibility (AC Vol 59 No 14). The appointment of a lacklustre former communications minister, 72-year-old **Belaïd Mohand Essaid**, as presidential

spokesman helped build the sense that reform is not on offer.

Tebboune's 28 December appointment of independent-minded international relations expert **Abdelaziz Djerrad** as Prime Minister was a surprise. Djerrad carries less domestic political baggage than most other likely candidates, but he will have to work to persuade Algerians he can make a difference.

It was Essaid who announced Djerrad's new government on 2 January. And after Algerians had digested the government list, which is dominated by Bouteflika-era ministers, crowds turned out in larger than usual Friday demonstrations on 3 January. Some ministers retained in government were identified with Gaïd Salah, such as **Belkacem Zeghmami** at Justice. Others staying on include career diplomat **Sabri Boukadoum** at Foreign Affairs (where he replaced **Ramtane Lamamra** in Bouteflika's very last reshuffle), **Abderrahmane Raouia** at Finance and **Mohammed Arkab** at Energy. Respected former public company boss **Djamila Tamazirt** – who was promoted to clean up the Ministry of Industry following the corrupt spell of ex-premier **Ahmed Ouyahia's** close ally **Abdeslam Bouchouareb** (now believed to be in Lebanon) – has been replaced by **Ferhat Aït Ali** in one of several highly sensitive, corruption-riddled portfolios.

Tebboune has further appointments to make, but whether he can stray beyond 'establishment dissidents' and so satisfy the street remains doubtful.

HITTING THE GAS

The new government must stabilise a foundering economy. Major – and expensive – improvements to the key hydrocarbons industry, as well as a declining manufacturing sector and agriculture will be needed.

Finding a way to co-opt *El Hirak* into its political narrative – or reach a less likely historic compromise with the diverse opposition – could prove essential to stabilising local business

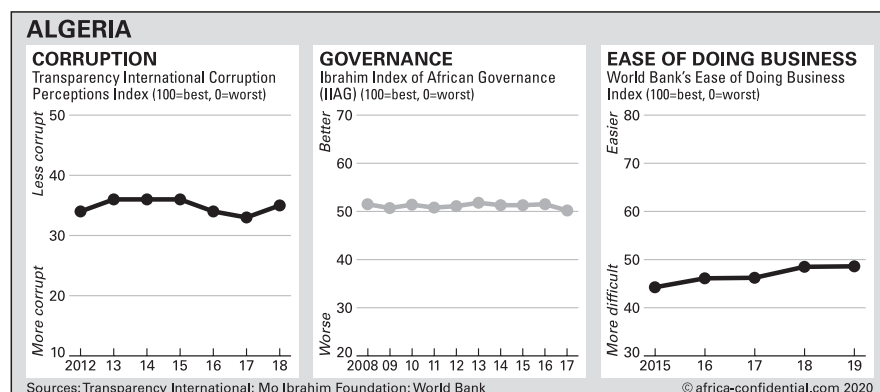
activity, but economic policy is in a mess, and its rectification is unlikely to win the government friends. Instability within Sonatrach was underlined in November when **Kamel-Eddine Chikhi** replaced **Rachid Hachichi** as the state energy giant's eighth head since 2010. Once seen as the Algerian economy's only genuinely blue-chip company, Sonatrach is now unable to maintain critical levels of gas sales to Europe and is confronted by huge costs in maintaining infrastructure and replenishing reserves. The announcement on 4 December that Sonatrach would exercise its pre-emption rights on the sale of Anadarko Petroleum Corporation's oil-producing blocks to **French** major Total has popular support, but gives Sonatrach another headache; while it wants to secure new reserves as quickly as possible (hence recent investor-friendly revisions to the hydrocarbons law), it could now have to pay around \$2 billion to take ownership of already producing fields.

Interim Prime Minister **Nourredine Bedoui's** government had already indicated that, after more than a decade, Algiers might return to borrow on international capital markets. Bedoui had also stopped his now imprisoned predecessor Ouyahia's policy of quantitative easing, but local experts, such as Tizi Ouzou University economist **Hocine Sam** believe that with public debt rising again a return to printing money is 'inevitable'.

NEED FOR REFORM

There is consensus that the only way for the economy to emerge from its doldrums is to breathe new dynamism into productive sectors from agriculture to manufacturing to information technology, rationalise the fiscal system and give greater independence from government/*pouvoir* interference to the *Banque d'Algérie* (BdA) and other institutions. But such reforms could still be years away, while factories are closing and jobs lost as political in-fighting leaves many economic players in crisis.

El Hirak needs a coherent voice and policies to start forging a political platform that goes beyond its simple *silmiya* ('passive resistance') appeal to challenge rule by *le pouvoir*. Meanwhile, a younger leadership may eventually take over the mantle of *le pouvoir* but whether they understand the limitations of rule by the Deep State is questionable; many officers are said to admire **Egyptian** President **Abdel Fattah el Sisi** and other autocrats. Algeria thus remains profoundly divided, meaning Tebboune's promise of a more 'inclusive' politics is likely to remain elusive in 2020. ●



LIBYA

Life as a client state looms

As the US leaves the scene, Russia and Turkey may be about to carve up the country between them

Whether General **Khalifa Haftar** will this year enter Tripoli in triumph – which he continually predicted for most of last year – is in doubt now that Libya's future is in the hands of foreign powers, especially **Turkey** and **Russia**. Neither Haftar's eastern-based Libyan National Army (LNA) militia nor its adversaries in the United Nations-recognised Government of National Accord (GNA) led by **Faiez el Serraj** are set to chart the country's foreseeable future (AC Vol 60 No 25).

The change has been wrought by the presence of Russian and Turkish forces on Libyan soil. Russian mercenaries of the Wagner Group arrived in September and enabled Haftar's fighters to make cautious advances towards central Tripoli after months of stalemate. In response, Turkey's President **Recep Tayyip Erdogan**, a firm supporter of the GNA, dispatched several hundred mercenaries who had been fighting in **Syria** to defend Tripoli, along with more arms and equipment. He also promised, if requested, to send regular forces before agreeing at the Berlin Conference on Libya on 19 January (as did other external players) not to send any further military support to the country (AC Vol 60 No 16).

UNITED FRONT

The big difference now is that Turkey and Russia are working together, much as they did in Syria. They want to dictate terms in Libya, which they attempted at the beginning of January with a joint call to their respective clients for a ceasefire in and around Tripoli. Serraj was willing but Haftar was not, which resulted in President **Vladimir Putin** piling the pressure on him, including starting to withdraw the Wagner mercenaries, which could leave the general's forces at the mercy of the Turks. He and Serraj were called to Moscow for talks and when these failed, the UN and **Germany** tried to carry on a Libyan peace process in Berlin in January, aided by a raft of major world leaders. Yet no ceasefire resulted.

If this situation continues, President Putin may in effect be leaving Libya to the Turks in exchange for a free hand in Syria – regardless of the wishes of

the Europeans, the Americans, the Egyptians, the Emiratis and the UN, all of whom were present in Berlin.

But this is about more than Libya and Syria. Moscow's new regional alliance with Ankara weakens Turkey's role in NATO. A new relationship with Libya may also allow Russia to be repaid the billions of dollars it is still owed for military equipment sold to the Gaddafi regime and open prospects for new deals.

For Erdogan, the long-term aim is for Libya to come under Ankara's wing and to build binding economic ties. Erdogan wants a major share of the hundreds of billions in reconstruction contracts that will be awarded when Libya is finally at peace. It is also owed many billions for contracts broken when the Gaddafi regime fractured. Libya could help save the Turkish economy.

HAFTAR'S CORNER

Haftar's options are narrowing. The LNA will be no match for regular Turkish troops, and local tribal and community leaders across Libya could desert him if they see him fail militarily. However, he may hope to mobilise residual local bitterness against the Ottomans, who ruled Libya from Istanbul until 100 years ago.

The shifting ground also makes Haftar's backers in the UAE, **Saudi Arabia** and Egypt question just how much they would be prepared to sacrifice to support him.

Egyptian President **Abdel Fattah el Sisi** has been a firm backer of Haftar and a vehement opponent of Muslim Brotherhood ideology – and thus Turkish influence – throughout the region.

This has won him ample, if not wholly public, backing from Saudi Arabia and the UAE. Sisi and his supporters must now ask whether it is worth staking everything on defeating the MB and its allies in Libya when it means taking on as powerful an adversary as Turkey. Also, their objective is not a priority for the US, their own major backer.

Egypt may approve a request for military support from Haftar's political ally, the Tobruk-based House of Representatives, but that would only be to defend eastern Libya. Cairo is not going to send forces to western Libya to fight Turkish troops. The Saudis and Emiratis may continue to fund Haftar, but that is probably as far as they will go.

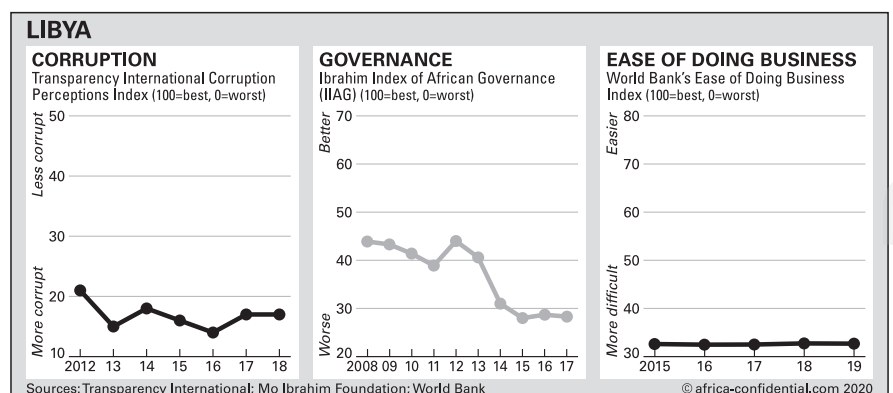
US INDIFFERENCE

As for Washington, its interest in Libya had been limited to hitting Islamic State (IS or *Da'ish*) targets. But it also places high value on Russian disengagement from Libya and fears a revival of Moscow's Gaddafi-era closeness, and its apparent gains in Africa as a whole.

It is unlikely, however, to do much about it beyond the desultory ceasefire initiative it launched in December to no effect.

Given the reassessment under President **Donald Trump** of the United States' global role and local volatility, the future of Libya is highly uncertain (AC Vol 60 No 24). Haftar is determined to rid Libya of the GNA along with the militias and various Islamist militants fighting for it and have a government of his own choosing in Tripoli. But if Moscow will not allow military confrontation with Ankara and Haftar cannot defeat Turkish forces on his own, he may have to accept negotiations. His willingness in Berlin to appoint a military team to talk ceasefire terms with the GNA indicates he is fully aware of his limited options.

Serraj and the GNA would also like to see an end to the militias and militants. They too want power in the hands of a regular army and police



under civil authority. Apart from some of the fighters from Misrata, there is no GNA army to force the militias to disband. However, the GNA has UN recognition and can therefore play

a longer game than Haftar and wait him out.

Whatever happens, Erdogan's apparently successful staring down of Haftar's backers by offering troops

– which is legal in international law because of the GNA's official status – may have confirmed Libya's future as a satellite state of Turkey for now, thanks to Russia's blessing. ●

ETHIOPIA

Regime reality check

The poster child for the new Africa, Abiy Ahmed, faces tricky elections and more strident calls for local power-sharing

P rime Minister **Abiy Ahmed** and his fresh-faced Prosperity Party (PP) are set for a tough struggle in elections despite domestic acclaim and enthusiastic international support, including the 2019 Nobel Peace Prize. The process leading up to the national vote, already pushed tentatively to August from May, which was optimistic, is more likely to be violent and inconclusive than peaceful and clarifying for Ethiopia and Abiy, the West's latest darling in Africa (AC Vol 60 No 19).

The Prime Minister and allies quickly formed the PP in late November, although some legal work remains, by merging three of the regional ruling blocs and the five formerly affiliated parties from regions not formally governed by the Ethiopian Peoples' Revolutionary Democratic Front (AC Vol 60 No 22). It provides Abiy with a shiny new vehicle to replace the sputtering EPRDF coalition in time for the polls.

Adding sheen are the Bretton Woods institutions, which have eagerly supported the government's so-called Homegrown Economic Reform strategy, built around liberalising, privatising, and streamlining business regulation and probably, in a couple of years, allowing the market to set the value of the birr to try to end chronic dollar shortages. The support so far has included pledges of more than US\$4 billion from the World Bank and International Monetary Fund.

The Tigray People's Liberation Front (TPLF), the fourth former regional ruling bloc and main mover behind the creation of the EPRDF, refused to join the PP, saying there was no shared agenda and that it objected to Abiy's market-friendly pivot. The TPLF will therefore be competing as one of a number of strong regional opposition groups whenever elections take place. This is likely to strain an already acrimonious relationship with the federal government and the TPLF's Amhara counterparts, adding Tigray's

ostracism to a number of combustible issues. That is especially the case since President **Issayas Afewerki** of Eritrea – Abiy's peace partner, though not a fellow Nobel recipient – is particularly keen to see the demise of his Tigrayan arch-enemies, whom he blames for Eritrea's isolation.

RIFT ALLY

While it was expected that the TPLF would sit out the PP, the opposition of **Lemma Megersa**, Abiy's former closest ally, was a bombshell. The ex-Oromia President (now Defence Minister) says the Oromo ruling party has not yet delivered on its promises to the Oromo people – such as increased administrative power for Oromia in Addis Ababa and making Oromo a second working language of the federal government – so it was not the time to create a unitary political structure. He has not formally split from the new party but the rift with Abiy seems unbridgeable. Such dissent by a linchpin of the ruling Oromo bloc raises the possibility of a stiff challenge to the PP from the Oromo opposition and possibly defectors such as Lemma, which would make attaining an overall majority tricky for Abiy and the new party.

All this takes place in the context of an increasingly exposed divide between supporters of the ethnic federal system, which guarantees regional self-rule, and those who see the new system as leading Ethiopia to disintegration by encouraging ethnic segregation and animosity. The PP is formally committed to multinational federalism but that is not how opponents such as the Oromo powerbroker **Jawar Mohammed** see it. Jawar, who commands great influence through his Oromia Media Network and social media, is forming an alliance of sorts with other popular Oromo forces, such as the former political prisoners **Merera Gudina** and **Bekele Gerba**, along with the previously outlawed Oromo Liberation Front,

which played a big role in Ethiopia's transition in the early 1990s until it fell out with and was then routed by the TPLF.

With this strong Oromo opposition – which could receive a big boost if Lemma joins – the election can be seen as a struggle for the constitutional order, raising tension and increasing the likelihood of violence, especially in urban hotspots where there are unresolved disputes relating to power-sharing. It is still possible that the volatile politics will lead to yet another postponement of the election, though that would bring its own problems, given the staunch opposition from the TPLF and others to any circumventing of the constitutional schedule.

The most prominent hotspot is Addis Ababa, the multi-ethnic federal capital which serves also as the capital of Oromia, but there is also Dire Dawa, ruled in a shaky power-sharing formula by Oromo, Somali and other groups. Oromo politicians want greater administrative power in Addis and more benefits for the region around it. This sets up a big struggle for control of the city council. It is likely to involve demographic engineering, street protests and ruthless propagandising. More generally, the pressure the PP felt in Amhara from the upstart National Movement of Amhara may well lead to increasingly belligerent rhetoric regarding territory that many Amhara believe the TPLF annexed in the 1990s, further spicing up the inter-regional tiff.

GOING SOUTH

Another big challenge for Abiy is the Southern Nations and the Sidama Zone, where residents voted overwhelmingly for the creation of a tenth federal state in a referendum on 20 November (AC Vol 60 No 24). The event passed peacefully but may lead to further instability in the highly diverse region, as multiple groups push for the same recognition as the Sidama. Already, officials and activists from the Wolaita Zone, the second most populous to Sidama, are gathering strength. That is likely to build in 2020 unless they are granted a plebiscite.

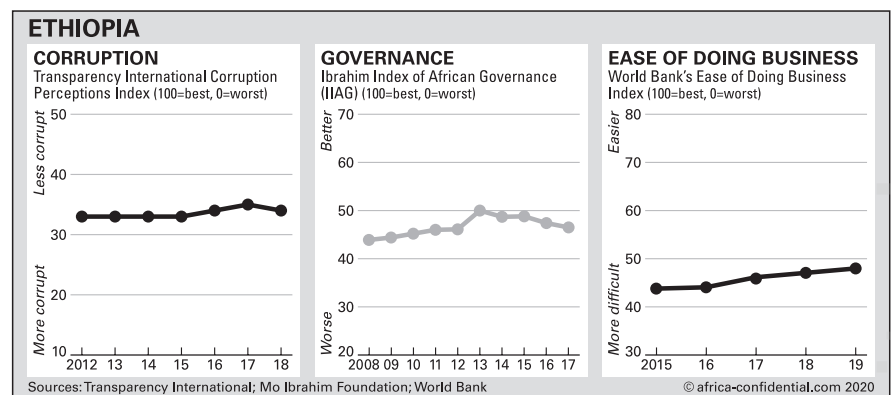
The government's dilemma is that acceding to constitutional demands will lead to wholesale fragmentation of the region and create an unwieldy number of new states. But if it doesn't,

the frustration could lead to violent agitation. Some sort of messy muddle-through looks like Abiy's best option, but granting further southern referendums would hardly be practical when the electoral commission is focused on preparing for a national vote.

The demands from ethno-nationalist zones in the south again reflect the unionist-federalist split and the dilemma for Abiy as he tries to boost national unity within an ethnic federal system. Regional leaders are protective of hard-won autonomy, and their position commands widespread support among Ethiopians. It will be hard for Abiy and the PP to win over voters in regions clamouring for statehood unless he concedes their demands.

All these challenges raise the question of whether the elections will be fair and free as Abiy promised, as ruling elite interest groups will be fighting for their political lives. A repeat of the repression of the past, or suspicions that critical institutions such as the National Electoral Board are biased, could well lead to violent protests.

Abiy's government has so far improved civil liberties by releasing journalists and politicians, overhauling legislation repressing civil rights and reforming the security agencies responsible for past abuses. But as the pressure increases, there may be renewed signs of authoritarianism, as witnessed during the crises in



Sidama and Amhara in 2019. Another indication of this is a draft 'hate speech' law, which, though well intentioned, has definitions that could be broad enough to control free expression. Given the divisions, raised expectations and emboldened activists, any such measures could trigger more deadly violence in the capital and across the federation.

DAM CONCESSIONS

Given that Western countries have gone all-in on Abiy, the international community's responses to such abuses may well be muted. In return, Ethiopia will keep playing its regional peacekeeping role, probably acting less erratically than during Abiy's first year. In order to maintain regional calm and keep credit lines open in

the Gulf, the Prime Minister may well make previously unimaginable concessions to **Egypt** and **Sudan** on the filling of the Grand Ethiopian Renaissance Dam. Addis Ababa cannot afford for regional tensions to increase (AC Vol 60 No 22).

The upshot of the domestic turmoil is likely to be a divided parliament and an increasingly divided nation, perhaps with opposing parties running neighbouring regional states. This precarious position may well lead to a move towards dialogue to resolve core disputes on federalism and other matters. A possible alternative is that Abiy and the PP – with Western allies in tow – will bulldoze the ethnic federalists, but this would probably lead to resistance from an emboldened opposition. ●

MOZAMBIQUE

Nyusi's win poses questions

Far from consolidating presidential authority, the electoral fraud that brought Frelimo victory may well hurt the President

The working year began with a day of golfing and post-inauguration partying for President **Filipe Nyusi**, who was sworn into office on 15 January for his second five-year term amid exceptionally heavy security. His inaugural speech echoed pledges he made five years ago and largely failed to deliver. It left many ruling *Frente de Libertação de Moçambique* (Frelimo) members in the audience disappointed and uninspired.

Amid the familiar tropes about prioritising peace and democracy, Nyusi declared that 'work, work, work' was at the heart of his ethos, and that 'I, citizen Filipe Jacinto Nyusi, your President, am the first to promise this and to set an example.' But photos of the President just a day later in golfing attire surrounded

by applauding onlookers undermined that promise and attracted widespread ridicule on social media. And it wasn't even the weekend.

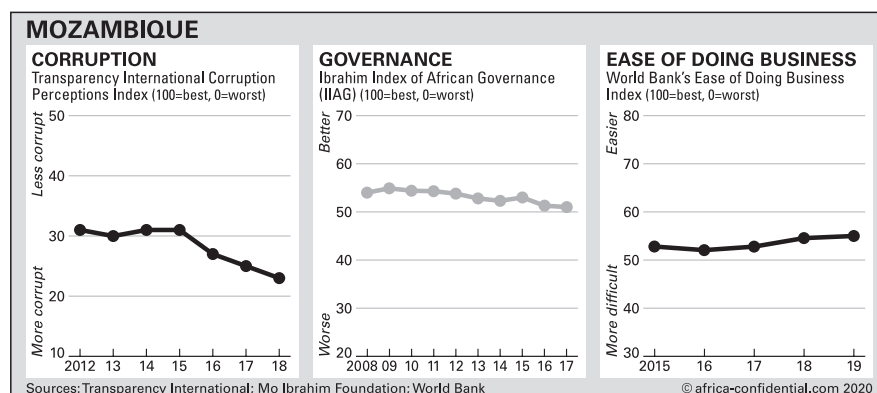
The peace he promises remains fragile. An insurgency is escalating in the north and **Mariono Nhongo**, leader of opposition *Resistência Nacional Moçambicana's* breakaway 'military junta' has threatened attacks on roads in the centre of the country. The 'junta' does not recognise the peace agreement between Frelimo and Renamo signed in August 2018, which was arguably the best achievement of Nyusi's first term. Also, there has been little progress in disarming Renamo, which has only given up a fraction of its arsenal. Renamo leader **Ossufo Momade** does not have a firm grip on his party,

and cannot keep malcontents under enough control to maintain the peace agreement.

Peace may also become a casualty of the massive electoral fraud at last October's poll, in which Nyusi won a landslide of 73%, despite his declaration on election day that 'Peace means everything must be done according to the rules' (AC Vol 60 No 21).

The scale of the manipulation of the poll embarrasses many in Frelimo. They tire of Nyusi's hollow words, fearing the landslide win has led the President to believe he can operate with even greater impunity than before. This year is likely to bring economic growth and significant progress in the gas projects. Frelimo sources worry about the general political climate and the country's security situation.

A fragmented terrorist insurgency that identifies under the broad banner of Islamist extremism is stepping up its attacks in Cabo Delgado, the province where huge reserves of natural gas are set to bring in billions of dollars of investment in coming years, including a significant amount this year as work on the liquefied natural gas factories



accelerates. It is still unclear who is orchestrating the insurgency and why, making it hard to tackle, but the brutal incompetence of the counter-insurgency forces is not helping either.

Hopes that help may come from the **Russian** mercenaries of the Wagner Group sent to Mozambique as part of wider bilateral agreements on gas and mining concessions for Russian companies, are dwindling. Trust between the Russians and the Mozambique army may have been irreparably damaged by recent attacks on Wagner forces by insurgents wearing Mozambican army uniforms.

Wagner, which security sources say was ill-prepared for the conflict and underestimated its foe, has retreated to the port of Nacala to regroup. Even if Wagner remains, it has a long learning curve ahead.

Since the insurgency still puzzles experts of all stripes, it is likely its reign of terror in the region, which has been increasing in pitch, will continue if not worsen. It won't, the security experts say, derail the gas projects because the prize is too big, and because the companies have plenty of experience of working in conflict zones.

TURNING POINT

A key challenge for Nyusi is to ensure that insurgencies on two fronts do not harm the country's improving economic outlook. The International Monetary Fund expects a 'strong rebound in economic activity and low inflation' this year. GDP growth should recover from the negative impact of Cyclones Idai and Kenneth in 2019 to over 5% and foreign reserves have grown to almost US\$4 billion. The IMF is considering granting Mozambique a funded programme this year, say Fund sources, and the World Bank is also increasingly engaged. It has already pledged \$420 million in grants and guarantees to support electricity supply, with well over \$100m in grants to support reconstruction after Cyclone Idai.

This support, on top of gas sector development, should encourage the

business community that Mozambique is rising out of the slump that followed its 2016 debt crisis in the wake of the hidden loans scandal (AC Vol 57 No 10).

The Fund, the Bank and many diplomats may have 'moved on' from the loans scandal, but it is still there. It threatens Nyusi's personal standing within Frelimo as revelations about illegal commissions including payments to himself and other Frelimo officials continue to emerge.

LOYALISTS NEEDED

Nyusi lacks firm support in senior party ranks and he should be wary of becoming a 'lame duck' president as the party begins its search for its next leader, say Frelimo insiders. He will therefore seek to consolidate his position by surrounding himself with loyalists, such as one of the eminences grises of Nyusi's and his predecessor **Armando Guebuza's** administrations, **Celso Correia**, who was also the mastermind behind Frelimo's October election campaign (AC Vol 54 No 7).

Correia has just been named Minister for Agriculture and Rural Development after a ministry restructuring. Correia is close to several new ministers responsible for natural resources, including a protégé, **Ivete Maibase**, who is now responsible for Land and Environment. But Correia is a controversial figure for many in Frelimo who see him as an unprincipled upstart with no 'progressive' credentials. Correia is strongly opposed by young reformers in the party who see him as a symbol of everything the party should be moving away from.

At a meeting to discuss the new cabinet on 11 January, Frelimo's Political Commission rejected the majority of Nyusi's ministerial nominations, sending a message that he cannot take party support for granted. All Nyusi's preferred choices for Prime Minister were rejected. Most conspicuously, the party rejected Nyusi's nomination of Correia as prime minister.

The party also refused to endorse former Transport Minister **Carlos**

Mesquita in that role, and former Interior Minister **Basilio Monteiro** was rejected for Speaker – a role intended to prepare him for the presidency.

After an unprecedented three-day delay in announcing the cabinet, during which the political commission wrangled with names and some nominees rejected offers of ministerial positions, the final line-up is a far cry from Nyusi's wish-list.

But that means continuity this year, with safe pair of hands **Antonio Agostinho do Rosario** remaining as Prime Minister, the well-regarded **Max Tonela** continuing at the helm of Mineral Resources and Energy, and the weary Finance Minister **Adriano Maleiane** set to carry on, partly because no one else can be found to take the poisoned chalice.

Former Mineral Resources Minister **Esperança Bias** makes a comeback as Speaker of parliament. Political Commission members **Margarida Talapa** and **Veronica Macamo** have been rewarded, belatedly, for their support of Nyusi during the election campaign with the Labour and Foreign Affairs portfolios respectively.

Nyusi will remain anxious about his ability to control opposition in the party and he will try to change the make-up of the Central Committee to bolster his power – but that will need to wait until the next party Congress, which could be at the very earliest late this year, more likely next.

CLIMATE OF FEAR

Nyusi is also expected to continue clamping down on dissent. Frelimo sources, like civil society as a whole, think the climate of fear and oppression that pervaded Nyusi's first term could intensify. In private, senior party members say they are shocked by the level of violence against critics of the regime, which many of them even believe the President is responsible for commissioning.

These also despair that corruption cannot be curbed. Nyusi has so far refused to address the post-election revelations from the trial in the **United States of Jean Boustani**, who represented contractor Privinvest in the supply of maritime contracts funded by the \$2bn hidden loans and was acquitted of money-laundering last year in New York (AC Vol 60 No 24). The trial saw documentary evidence that Nyusi received \$2m. Further revelations in the Mozambican press claimed Nyusi's sons received gifts of luxury cars from the former intelligence officer and CEO of the three companies that received the loans money, **Antonio Carlos do Rosario**, who is now in jail in Maputo

awaiting trial.

Nyusi has always refused to address his role in the hidden loans affair publicly, but in private has adamantly

denied receiving any money. In the face of evidence from the court case in Brooklyn, the pressure to explain himself is growing, as is mistrust of a

President who is increasingly seen not as the affable managerial figure many imagined but a ruthless politician with a strong thirst for power and wealth. ●

CONGO-KINSHASA

More trickle-down please

There has to be more in it for Tshisekedi's camp followers if his uneasy partnership with the former president is to survive

The coalition of the *Cap pour le changement* (CACH) alliance, led by President **Félix Tshisekedi**, and ex-President **Joseph Kabila's** *Front commun pour le Congo* (FCC) is unhappy and unharmonious. Yet both still need each other. The FCC dominates the government and controls the National Assembly, the Senate, most provincial parliaments and governorships, as well as the leadership of the main state-owned enterprises (SOEs). Within these restraints, Tshisekedi cannot convert his multiple exhortations into action by the government without the FCC's consent – exactly as Kabila intended.

But at the same time, the FCC needs CACH because the FCC's de facto dominance would lack legitimacy domestically and abroad without its support. And without legitimacy, international funds will not flow, and the popular anger that forced Kabila to abandon his dream of a third consecutive term as President might resurface.

CACH SCRAPS

The CACH-FCC coalition will, accordingly, limp on grumpily. A future snapshot of the state of play between the two is expected to come in late January, when Tshisekedi is due to announce who will lead the SOEs and the yet-to-emerge *Autorité de régulation du secteur d'électricité*. The FCC will scoop the lion's share of appointments, but how many bones will be tossed Tshisekedi's way?

The answer to this question will help answer another: for how long will ordinary members of Tshisekedi's party, the *Union pour la démocratie et le progrès social* (UDPS), accept that while the President and his entourage profit handsomely from the present political arrangement, there are still no material benefits for them? If CACH is able to bag a number of SOE directorships, that will create opportunities for patronage that will be used to sate the appetite of at least some UDPS activists. It remains to be seen whether that will be enough to calm the rest.

Leader of the *Union pour la Nation Congolaise* (UNC) and presidential Chief of Staff **Vital Kamerhe** has an interesting year ahead of him. The UNC is the second-largest party under the CACH umbrella and Kamerhe enjoys access to all the *grands dossiers* of state, but it is also being monitored closely by Kabilists in the government and intelligence services. That is how a US\$15 million diversion of state funds by a Kamerhe crony surfaced and made headlines late last year (AC Vol 60 No 19). He knows that staging another raid on public finances to feed his patronage network will be risky.

In December 2019, the IMF agreed to an emergency credit line of roughly \$370m to shore up the country's shrinking foreign exchange reserves and appears inclined to agree a staff-monitored programme sometime during the first quarter of this year. The programme does not come with

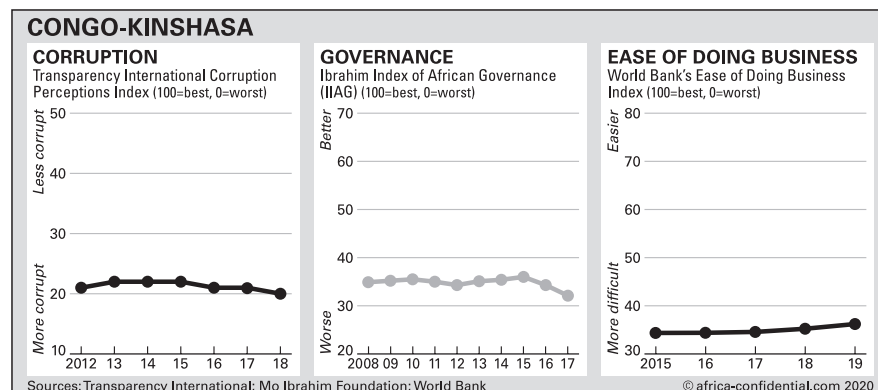
any IMF cash attached but, if completed 'successfully', would pave the way to potentially substantial multi-year lending. This, of course, is what the government wants, particularly as the supply of fresh IMF credit is likely to stimulate further gifts and loans from international donors. The government will deploy a donor-friendly reform narrative during 2020, launching encouraging-sounding initiatives to do things such as 'improve the business climate'. It may work, and by the end of 2020, international lending to Congo-Kinshasa will probably be sitting at a far higher level than currently (AC Vol 60 No 25).

MONUSCO WOE

Tshisekedi wants the country's UN-mandated *Mission de l'Organisation des Nations unies pour la stabilisation en République démocratique du Congo* (MONUSCO) to stay, and so it probably will, but its already battered reputation in the east will continue to take knocks. It is not clear who really is behind the latest wave of killings in Beni, Nord-Kivu, but a plausible theory is that Kabila proxies are involved in a bid to make MONUSCO look ineffective. If so, they are succeeding. Another factor is all the money the World Health Organisation has been throwing at the Grand-Nord in Nord-Kivu, where Beni lies, in an effort to halt the Ebola epidemic. The cash injection manifests as salaries, house, office and vehicle rentals and the like. Unsurprisingly, in an impoverished area, this is addictive. Attacking Ebola treatment clinics is a good way to keep the epidemic from dying out and the cash from drying up.

The **Rwandan** army will push on with its covert military campaign against the Rwanda National Congress in eastern Congo-Kinshasa during 2020. The Rwandan campaign has been more or less legitimated by an apparent official agreement last year between the high commands of the Rwandan Defence Force and the *Forces Armées de la République Démocratique du Congo* (FARDC) to fight rebel forces in the region. It will probably result in the displacement of thousands more Congolese without a decisive blow being landed on the RNC.

Tshisekedi has promised free primary school education and, for a few months at least, his promise will be largely respected across Congo. After that, unless there are significant improvements to teachers' salaries and



the whole system is reformed so that retirement-age teachers now drawing a salary can retire with a pension, enabling working but unsalaried teachers to draw the monthly wages the retirees currently receive – a change for which the prospects appear exceedingly dim – there will be a steady backsliding to the status quo ante.

Tshisekedi's increasingly inaccurately named '100-day' programme to improve the lives of Congolese will continue during 2020. Residents of Kinshasa are praying that at least one of the many highway flyover projects launched in their city simultaneously and so optimistically in 2019 as part of the programme will be

completed. Their partial completion has cruelly jammed up Kinshasa's already terrible traffic.

The Swiss-based commodity trader and mining giant Glencore mothballed its Mutanda mine in the southern province of Lualaba in November, apparently hoping to shore up the price of cobalt by doing so (AC Vol 59 No 4 & Vol 60 No 18). The price may indeed rise in 2020 but probably not by much, and the metal will continue to disappoint those in the national government who believe it should rightfully yield them fabulous dividends.

Meanwhile, an OECD report released in late 2019 showed that what are presented as exclusively

industrial cobalt supply chains from Congo-Kinshasa contain, without exception, some artisanally mined material. Consequently, all buyers of cobalt from Congo-Kinshasa, including vehicle manufacturers, Apple and other tech industry giants, are purchasing artisanal output. A 2016 investigation by Amnesty International also showed that children and pregnant women work in artisanal cobalt mining in Congo-K. Additional challenges include human rights abuses by Congolese officials when relocating residents to make way for mines. In 2020 the technology and automotive industries need to think up a convincing response to the potentially vast reputational risk this poses. ●

ZIMBABWE

Power struggles and inflation

A wrecked economy will cause more worry this year but it won't stop the two leading factions battling for supremacy

As Zimbabwe limps into 2020, its heaviest shackle is the economy. One analyst suggests it will shrink by 12.9% while inflation averages 165.5%. Last February, Minister of Finance **Mthuli Ncube** unpegged the 1:1 exchange rate between the local 'bond' currency and the US dollar. In June he removed the multi-currency regime that had been introduced in 2009 to curb hyper-inflation. Inflation spiralled, and will certainly escalate in the coming year. At the end of 2019, the Zimbabwe National Statistics Agency reported that the Total Consumption Poverty Line was rising by 15% a month. Alongside the spiralling inflation, the parallel market is thriving.

As of January 2020, the official interbank exchange rate for US dollars is 1:17, while the parallel rate is 1:25. While the economic instability persists, the black market will flourish. It is unlikely that the finance ministry or central bank will magically develop the capacity to resolve the economic crisis in 2020. Erratic policies that cripple the economy further in the long-term will probably continue: printing cash to win short periods of liquidity and selling unauthorised Treasury Bills to pay government debts.

State employees from doctors to teachers and air traffic controllers will probably continue with industrial action. The country could well lose an entire generation of professionals as they flee impossible working and living conditions.

Yet, so long as the state can continue to pay the armed forces – not necessarily a given – these demonstrations are not likely to escalate into a more serious threat. Reports speak of soldiers receiving less than one meal a day. A leaked memo from the Police Support Unit instructed officers and their wives to desist from using prostitution to supplement their salaries. A repressive force with low morale cannot be expected to do its job.

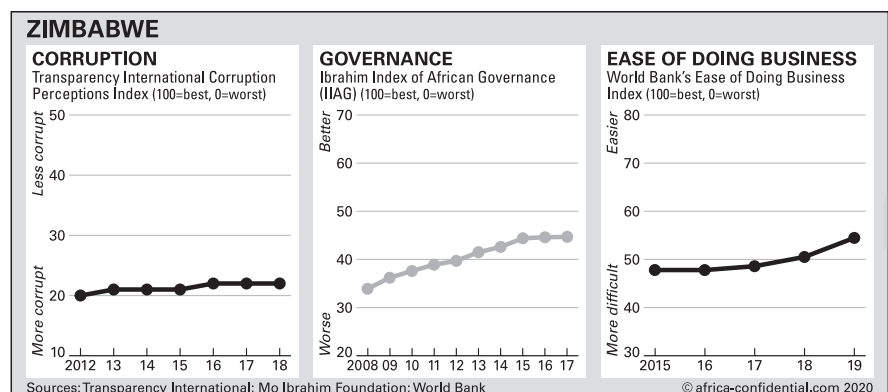
RIVALS FOR POWER

Overlaying the dire economic and social crises that will unfold in 2020 will be a chaotic leadership struggle, played out in social media rumours and tabloid scandals. The tensions between President **Emmerson Mnangagwa** and Vice-President **Constantino Chiwenga** will continue to generate speculation and anxiety about a possible coup. With

Chiwenga safely returned from his lengthy stint of hospital treatment in China, he will push to take a more active role in elite politics, and cash in on his close relationship with the Chinese state and embassy to consolidate more power in his office.

Mnangagwa will still be banking on convincing the world that his campaign for reform and clean politics is genuine. Unfortunately for him, nobody is buying it, as seen by the cooling of relations with formerly close international supporters, such as the **United Kingdom**, which did not invite Zimbabwe to this week's UK-Africa Summit. However, without the need to pander to external actors, Mnangagwa now has more scope to rule despotically. In December, he undercut the finance minister and parliament by reintroducing a subsidy on maize and rice that had been removed in the budget two weeks earlier. He also gazetted a constitutional amendment that allows him to select his own running mate without party input, thereby enabling him to sideline Chiwenga in the 2023 election.

Meanwhile, now that the Zimbabwe Anti-Corruption Commission has arresting powers, many expect to see a surge of high-profile arrests and corruption cases as the leadership uses



it as a weapon against potential threats and rivals, rather than a genuine tool for social and political reform (AC Vol 59 No 1). However, the important cases to follow will be those featuring figures in critical roles, such as the Zimbabwe Defence Forces Director of Procurement, **Peter Muchakadzi**, arrested in early January for looting army food supplies.

The heightened economic and political strain will put more pressure on the senior politicians to engage in the political dialogue proposed after the 2018 election dispute (AC Vol 59 No 23). Mnangagwa's state-controlled process, the Political Actors' Dialogue will limp through the year, achieving little but continuing to provide a platform for minor political actors, such as **Lovemore Madhuku** and **Thokozani Khupe**, who hope to cash in on their usefulness to the president.

CONCERN

The Movement for Democratic Change leader, **Nelson Chamisa**, will continue to pursue a dialogue to establish a National Transitional Authority. This project is likely to develop more traction as the international community and region grow increasingly concerned about state failure. **Thabo Mbeki's** visit in November 2019 indicates that **South Africa** is invested in stabilising the Zimbabwean political landscape. However, even if this produces a miraculous transitional arrangement, the outlook for the Zimbabwean people who have to survive within this economy is bleak. ●

MILITIAS ON THE RAMPAGE

A trend to watch in 2020 will be the shifting patterns in political violence. While the majority of violence in the past twenty years has been perpetrated by either state forces (police or military) or Zimbabwe African National Union – Patriotic Front (ZANU PF) groups, there is an alarming rise in new militias.

Since the land invasions began in the early 2000s, there have been incidents of artisanal miners occupying land with gold shafts, occasionally leading to violent clashes between rival groups or between miners and police. Local politicians capitalised on these gangs, moulding them into embryo militias that could be used for both resource-snatching and political competition.

A particularly notorious example was **Owen Ncube's** 'Al Shabaab' group, which operated in the Midlands province, and provided such a strong political platform for Mnangagwa's 'Lacoste' faction that Ncube was appointed Minister of State Security. The gold from the artisanal miners was also believed to be an important source of revenue for Mnangagwa during the factional competition with the **Grace Mugabe**-fronted G40 faction.

However, since the coup of November 2017, these groups have proliferated across the Midlands, Mashonaland West, Central and East, and Matabeleland North and South. They have been provided with machetes and, more recently, firearms. As recruitment has ballooned and the militias have grown bolder, there has also been a shift from snatching idle mine-shafts for small-scale artisanal mining to occupying operational mines and threatening businesses.

As the militias are led by local politicians, the police are unable to contain them. There have been a number of violent attacks on police officers, including an attack on the Gokwe North police base on 7 January, when 50 machete-wielding *maShurugwi* stormed the building to free comrades who had been arrested the previous day. The militias are still closely linked to their political sponsors, but, as they are funded through resource-snatching, it is significantly more difficult to rein them in than a traditional political militia, funded through per diem payments.

As the groups grow in numbers and boldness, their rent-seeking has spread beyond gold-mining and the rural areas. In January, worshippers at a church in Gweru were held hostage at machete-point and forced to hand over cash, and citizens in the Harare suburbs of Budiriro, Glen View and Kuwadzana have reported that *maShurugwi* carry their machetes in public and brazenly demand cash and groceries.

As the economy worsens in 2020, an escalation of violent attacks on citizens, businesses and the armed forces can be expected. ●

GUINEA

Terminal turbulence

Alpha Condé is keeping the nation in a state of suspense by refusing to confirm whether he is standing for a third term

In his New Year address to the nation, President **Alpha Condé** confirmed his plans to submit a new constitution to a popular referendum. But he again failed to answer the question uppermost in Guineans' minds for over two years: if the new basic law is approved, will he stand again for the presidency? Under the current constitution, the two terms he has served are the limit.

Condé, 81, has accumulated accolades for stabilising the economy and putting it on a steady growth trajectory. Forecasts for the years ahead hover between a respectable 5.5% and 6%, mostly on the back of a huge – some

say reckless – expansion in bauxite exports, driven mainly by *Société minière de Boké-Winning* (SMB-Winning), a **Chinese-Singaporean**-Guinean consortium which is now Guinea's largest exporter of the aluminium raw material (AC Vol 60 No 22).

One of the very few value-adding industrial facilities in the country, a **Russian**-owned refinery that turns bauxite into the half-fabricate alumina, will increase its production to about 40% of full capacity in 2020, after a six-year closure between 2012 and 2018. More refineries have been promised but they invariably fail to materialise. Production of the high-value end

product, aluminium, continues to take place in China, the **United Arab Emirates** and Russia.

The government hopes that revenue from the expanded bauxite exports will bring in the cash needed to bump-start other parts of the economy, including the long-neglected agricultural sector (AC Vol 60 No 5). Bauxite is the only engine it has: the vast iron ore deposits at Simandou in the remote south-east of the country (estimated at 2 billion tonnes) were supposed to become the other engine, but production will not come on stream before 2026 at the earliest.

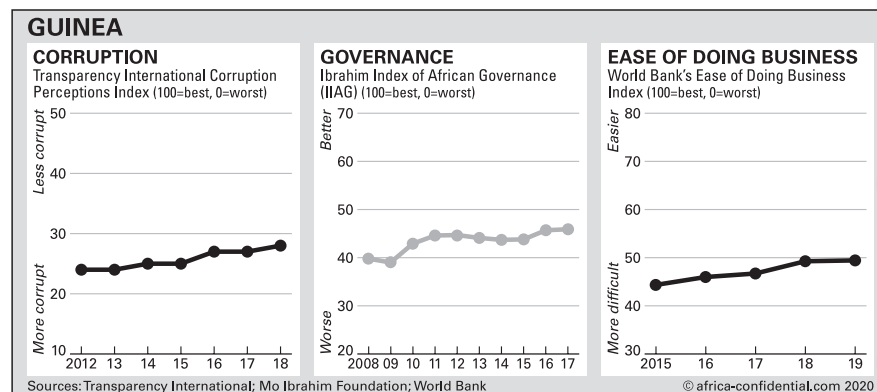
China holds the keys here. It imports two-thirds of the world's iron ore and as of last November determines what happens – or not – at Simandou. The same SMB-Winning consortium that lifted Guinea's bauxite export took control of Simandou's northern half in November (AC Vol 60 No 24). Two other companies, Chinalco and Rio Tinto, run Simandou's other (southern) half, in a partnership with the Guinean state.

They do not appear to be in a particular hurry to develop the site. A saturated world steel market, stable but depressed prices and the prohibitive cost (\$20bn) of the construction of the Trans-Guinea Railway to export the ore, on which the Guinean government insists, ensure that optimism about this project remains muted.

The stagnation at Simandou has been especially disappointing for Condé's government, which had been banking on bauxite and iron ore exports to boost growth, build infrastructure, create jobs and increase the incumbent's re-electability, however controversial. Instead, Condé is facing public displeasure at his failure to deliver better living standards. Poverty levels remain stubbornly high at 55%, with rural dwellers significantly worse off.

NOT A TRICKLE

When it gained power in 2010, the government put its energy into solving the macro-economic side of the Guinean equation. Having largely achieved that, its attention should have shifted rapidly towards acute poverty reduction. Instead, the economic upswing has powered a mining and construction boom whose main beneficiaries have been foreign mining houses, hotel chains and presidential friends, plus a few politically well-connected real estate developers. The government used the presentation of the 2020 budget to announce massive infrastructure



investments in the country's interior but this is unlikely to convince anyone of its avowed inclusivity. Neither will it encourage farmers to increase production: Guinea's many dilapidated roads prevent them from transporting produce to market.

Excessive concentration of development in the coastal area (including Conakry and the mining region around Boké), lack of economic diversification and failure to redistribute income: all have found a focus in Condé's widely assumed third term bid. Further aggravating the situation are the president's authoritarian tendencies: security forces frequently employ excessive and lethal violence against demonstrators.

Countrywide anti-third term rallies are organised by the *Front nationale pour la défense de la constitution*, in which prominent opposition politicians like **Faya Milimouno** and former prime

ministers **Cellou Dalein Diallo** and **Sidya Touré** play prominent parts. These marches will get larger and more vocal, leaving Condé with the stark choice between more repression, something he claims he has always opposed, and giving in by unequivocally renouncing any third-term bid, as the FNDC demands.

Given Condé's notoriously headstrong character, this is unlikely. Add into this volatile mix the antics of some politicians, social media influencers – safely outside the country – and journalists, who are stoking inter-communal hostilities by framing the ongoing political contest as a fight between the Malinké people (supposedly represented by Condé) and the Peulh (or Fulani), supposedly represented by Diallo. Such fallacious and dangerous simplicities can easily lead to open conflict and further destabilise a region already on tenterhooks. ●

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6 February 2020 - Vol 61 - N° 3

BLUE LINES

The traditional reluctance to speak ill of the newly dead is serving Daniel arap Moi well. The death of Kenya's President from 1978-2002, on 4 February aged 95, has been greeted with accolades from African and Western officials in the media. Moi dominated Kenyan politics for over two decades. After surviving a plot to block his succession, he systematically co-opted or cudged his opponents, with the help of enforcers Nicholas Biwott and Wilson Boinett.

Many cheered at first when wealthy cash-crop exporters from Central Province lost out and Moi used the state to distribute jobs and resources to his Kalenjin people and other minorities. He was also a stalwart Cold War ally of British and US governments who ignored the worsening repression and state theft until Kenya's pressure for political pluralism became irresistible.

When Moi took over from founding President Jomo Kenyatta, the economy was growing at 6.9% and Kenya was seen as an African country following in the footsteps of the fast-growing East Asian economies. When he handed over to Mwai Kibaki, growth had slumped to 0.6%, after 13 politically connected banks had collapsed in the previous decade, and a state-sponsored export scam known as Goldenberg lopped about 10% off national income. All Kenya's leaders today owe Moi: President Uhuru Kenyatta and William Ruto were directly backed by him at different stages, as was Musalia Mudavadi. Even Raila Odinga rose to opposition stardom after being jailed by Moi.

AFRICA'S ECONOMIES IN 2020

Revenues and resources are the key

Governments will have to raise far more revenue and staunch capital flight if they are to boost growth and investment this year

Africa will be thrown back on its own resources and internal revenue-raising capacity, at least for the short term, as the economies of major trading partners in Asia and Europe slow down. The terms of commercial finance in Africa could be more onerous for many countries in 2020, and the pool of concessional finance for the continent has remained almost unchanged for two decades, despite a quadrupling of Africa's gross domestic product to US\$2.1 trillion in that period.

The launching of the African Continental Free Trade Area (AfCFTA) in July, likely to dominate the African Union summit on 9-10 February in Addis Ababa, is a recognition of the limits of external finance. It will take two to three years to see an appreciable difference in trade patterns and growth, according to Carlos Lopes, former executive secretary of the UN's Economic Commission for Africa and an advisor to and negotiator for the AU on the new free trade zone. Intra-African trade is running at just under 20% of all trade on the continent; levels for intra-continental trade in Asia and Europe are running at over 60%.

To make a success of the free trade area, argues Lopes, governments will have to boost domestic revenues, currently averaging around 17% of GDP, to something approaching double that. Higher revenues are needed to finance investment in production, power and transport and services in the fast-growing towns and cities.

Revenue mobilisation will go far beyond raising personal and corporate

taxation and will require a sweeping formalisation and modernisation of the continent's economies, he said. Governments such as Ghana and Kenya are moving to compulsory electronic payments for all government services, customs and taxes, for better monitoring and accounting.

As that raises revenue collection, more countries are following the push for formalisation and digitisation. Governments will also be finding ways to prevent the wealthy from avoiding tax, says Lopes, in moves that could clash with vested interests but reward some populist politicians. The resource nationalist push in the mining and oil industries will be critical to the revenue-raising picture, delegates to the Mining Indaba in South Africa from 3 to 6 February were told by successive government ministers from across the continent.

SHORTFALLS

Without a determined bid to raise revenues, staunch illicit outflows and use innovative financing techniques, such as drawing on national pension funds and foreign reserves currently banked in Western economies, shortfalls in financing could become still more of a brake on growth.

That explains some of the modest growth forecasts for 2020. International institutions predict that average real GDP growth across African economies will accelerate this year but more slowly than previous forecasts said. The continent's growth picture will again be held back by the poor performance of its biggest

MALAWI	4	SOUTH AFRICA	6	LIBYA/EU	7	ANGOLA IN 2020	8	NIGERIA IN 2020	9
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economies: **Angola**, **Nigeria** and **South Africa** are joined in the low-growth league by **Algeria**, stuck in a problematic political transition.

The flipside is that 21 countries – where some 650 million people live – are forecast to grow by 5% or more this year and will have the resources to push ahead with modernisation, says Lopes.

Governments and businesses will have to navigate trade wars and other disruptions, harsher financing conditions, downturns in rich countries and falls in commodity prices. The Coronavirus crisis in **China** will slow business with Africa's biggest trade partner.

Another risk comes from the conflicts that 13 countries, out of 54, are facing, which hit internal and regional GDP

growth. Yet many mining houses are still planning projects in insurgency-hit **Mali**, **Burkina Faso** and **Niger**. However, the growth in informal mining and taxation systems from which insurgent groups benefit is a growing risk. Far better amelioration mechanisms will be needed to face the climate crisis, as it raises sea-levels in Africa's faster growing coastal economies.

There will be a mixed picture on macro-economic reforms in 2020, as some get derailed by political or financing pressures while others make progress on the fiscal consolidation pushed by the International Monetary Fund, which has been cutting into capital spending.

DEBT BURDENS

The debt and debt service picture in several economies – compared to revenues – is getting more serious. Debt levels in several economies including **Mozambique**, **Zambia** and **South Africa** are far higher as a percentage of GDP than prior to the global financial crisis in 2008.

Several economies are in debt distress or at high risk of it. Yet according to Tellimer Group (formerly Exotix Capital) chief economist **Stuart Culverhouse**, the signs are that

international financing conditions could remain favourable for some African economies, with **Ghana** and **Gabon** Eurobond issues in the works.

The share of revenues paid to service debts will be excessive in oil-exporters **Nigeria** and **Angola** and resource-intensive **Ghana** and **Zambia**. The latter three have the twin burden of a high debt/GDP ratio and, like **Nigeria**, weaker commodity prices. The shift in Africa's borrowing away from concessional debt towards commercial, foreign currency borrowings and Eurobond debt reinforces that trend, although some economies can extend the maturity of their borrowings.

Past IMF and World Bank warnings of substantial 2019-20 debt-refinancing risks (AC Vol 59 No 21) contrast with an easier near-term Eurobond debt maturity picture, before a spike in Eurobond redemptions due in 2024-25.

Ratings agency Moody's now points to 'elevated' liquidity risks in economies such as **Zambia**, **Mozambique** and **Congo-Brazzaville**. Senior Moody's analyst **David Rogovic** points to upcoming payments on bilateral loans, including from **China**, that complicate the refinancing picture and warns that persistent high debt burdens and fiscal deficits are reducing governments' ability to respond to shocks.

Some economists see **China** acting as a commercial creditor, at times extending favourable terms to borrowers and backing growth-boosting infrastructure projects. Others – such as Moody's – warn of the high cost of the collateralisation of Chinese loans, the lack of transparency on debt terms, especially the high concentration of debts to **China** in countries such as **Zambia**.

Rogovic warns of a lack of open discussion on how **China** might restructure upcoming debt and how this could be managed. Project finance is often outside the direct control of the African treasuries, and this makes up a growing proportion of the national debt (AC Vol 60 No 9).

TEST CASE

Chief Citi economist for Africa **David Cowan** sees **China** negotiations with **Zambia** as a test case. It could show whether in subsequent negotiations **China** can pressure other creditors to restructure their loans too. Cowan says that funds under any IMF-Zambia deal will not materialise until after elections next year, when the copper producer's international bond redemptions will be nearer and the pressure greater.

There are deepening concerns about the cost of political and business corruption. The worst examples are the

'FEEBLE' AND 'JOBLESS' GROWTH RISK

Only a minority of African economies are growing at high enough rates to noticeably raise average incomes in the medium term. And that is before considering the uneven distribution of growth gains among Africa's populace, the scourge of 'jobless growth' and the resilience, or not, of these economies' expansion.

The IMF has revised downwards its October projections of average 2020 real GDP growth in sub-Saharan Africa to 3.5%, thanks to lower projections in **Ethiopia** and **South Africa**. This places SSA barely above the overall global average and far behind an emerging and developing Asia approaching 6% even though, according to IMF statistics, it is outpacing some other emerging and developing regions.

The World Bank has downgraded its 2020 prediction to 2.9%, describing SSA's economic recovery as 'feeble' and it now estimates SSA 2019 growth at 2.4% which amounts to a per-capita contraction. The Bank also predicts that, in 2020, SSA per-capita growth will be lower than regions such as South Asia, Europe and Central Asia, and Latin America and the Caribbean.

The African Development Bank's revised prediction that African growth could hit 3.9% this year, compared to an estimated 3.4% in 2019, includes a North Africa region exceeding 4% growth last year, which, according to AfDB economists, drove over 40% of Africa-wide growth due its size and rate of expansion. The bank ranked East Africa as the fastest-growing Africa region last year (5%), followed by North Africa, West Africa (3.7%), Central Africa (3.2%) and a Southern Africa that is flatlining at below 1% growth because of a sluggish **South Africa** and the impact of cyclones **Idai** and **Kenneth**.

Like private sector Africa economists, all three institutions note the continued underperformance of **Nigeria**, **Angola** and **South Africa** and their drag on overall continental growth, but point to strong expansion in a number of more nimble, mostly non-resource intensive economies, primarily in East and West Africa.

According to World Bank statistics, over 20 African economies could achieve 5% growth this year which roughly equates – if persistent and based on current SSA population growth – to a doubling of per-capita incomes in almost three decades. Thirteen economies, including eight in West Africa and **Rwanda**, **Ethiopia**, **Kenya** and **Uganda** in East Africa, are projected to hit or exceed 6%. ●

liabilities of state-owned-enterprises such as South Africa's national power utility Eskom, whose debts total about 25% of the country's sovereign debt. There is, too, the hefty cost of Ghana's banking and power sector bailouts, reckoned at over \$5 billion (see AC Vol 60, Nos 23 & 24).

However, Ghana has just got a ratings outlook upgrade from Moody's, due partly to its completion of an IMF programme and its positive primary balance. South Africa's immediate prospects are tougher. The maintenance of its only remaining investment grade rating this year depends on its capacity to boost its revenues.

Opinion on the impact of a 2020 South Africa downgrade differs. Some point to the risk of major investment outflows, others (including Citi's Cowan) see it also as a wake-up call reinforcing the urgency of reforms. A serious internal challenge to President **Cyril Ramaphosa's** leadership of the governing African National Congress, according to Cowan, would badly undermine the country's modestly improved outlook.

In **Ethiopia**, Cowan argues that Prime Minister **Abiy Ahmed** could push through the Homegrown Economic Reform strategy with IMF backing and further boost its fast-growing economy, should his new Prosperity Party succeed at the polls in August (AC Vol 61 No 2).

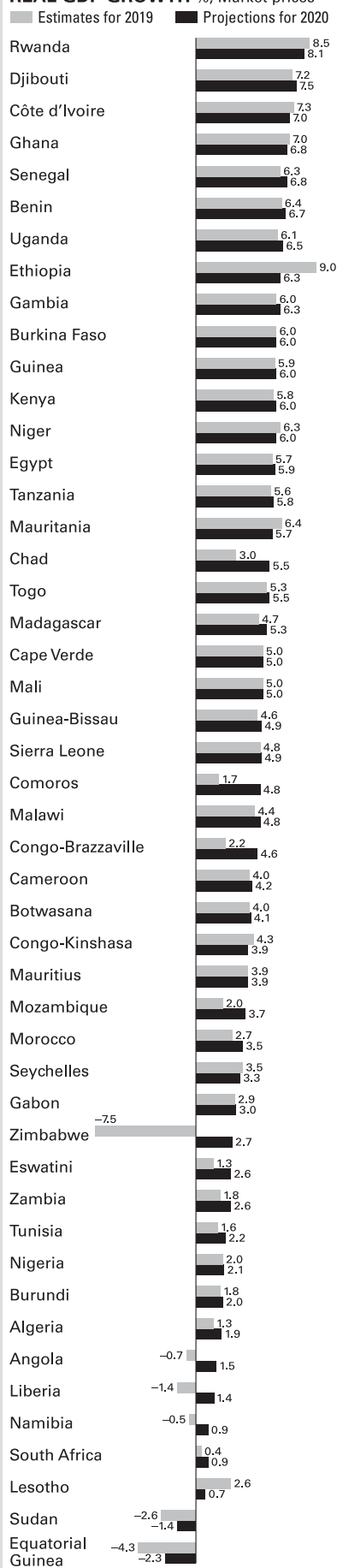
Officially Africa's largest economy, Nigeria has one of the lowest revenue collection rates in the world. Its government hopes its revenues and fiscal position will be boosted by President **Muhammadu Buhari's** finance bill raising the VAT rate, and other measures.

There is debate about the revenue impact of Nigeria's amended offshore 'production sharing contract' oil law, which critics and oil company executives say introduces onerous fiscal terms that could deter investment (AC Vol 60 No 23).

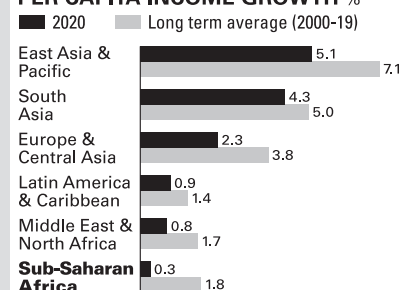
Like South Africa and Angola, Nigeria's 2020 growth is expected to remain modest, and likely negative in per capita terms. That contrasts with **Egypt**, where almost 6% growth and the size of its economy make it – according to the African Development Bank – the largest statistical contributor to continental growth. Infrastructure needs in Africa, according to the World Bank, are higher as a proportion of GDP than in other emerging and developing regions.

Yet there are signs that, commodity prices permitting, fiscal balances could improve modestly this year with oil and gas exporters moving further, on average, into surplus. Fiscal deficits in other commodity exporters and the

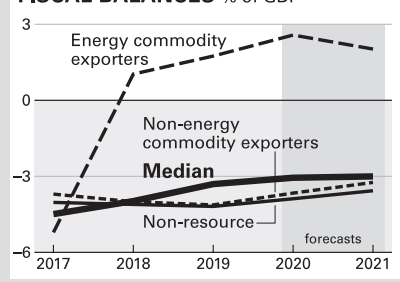
REAL GDP GROWTH % Market prices



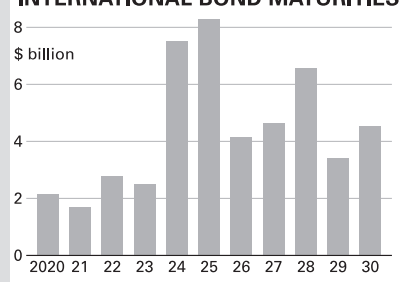
PER CAPITA INCOME GROWTH %



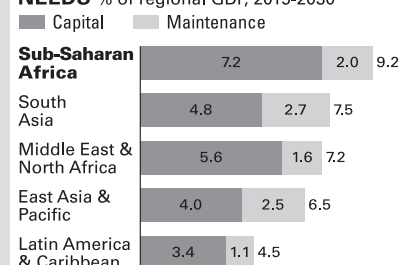
SUB-SAHARAN AFRICA FISCAL BALANCES % of GDP



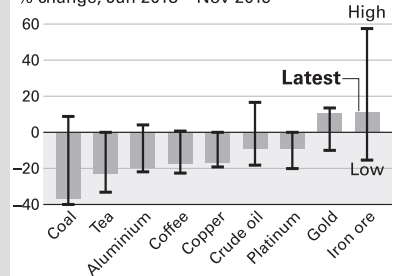
SUB-SAHARAN AFRICA INTERNATIONAL BOND MATURITIES



INFRASTRUCTURE SPENDING NEEDS % of regional GDP, 2015-2030



COMMODITY PRICE CHANGES % change, Jan 2018 – Nov 2019



non-resource economies, on average, should improve. In some countries that is partly due to policy reform, with fiscal discipline strong in much of the CFA zone.

Policy discipline will be required should Economic Community of West African States economies move forward on broad plans for the eco currency to replace the West African CFA franc and to incorporate the non-Francophone

Ecowas economies. Tellimer's Culverhouse suggests that political, institutional and economic differences among potential eco members may complicate the sustainability of the currency zone.

Côte D'Ivoire President **Alassane Ouattara**, although backing the initiative, will focus his energy on his country's presidential and legislative elections in October. And there is little

sign of enthusiasm from Nigeria, which accounts for over two-thirds of West Africa's GDP. For officials in Nigeria, which has closed all its land borders to combat smuggling, there is much more work to do on the continental free trade area before talking about monetary union. On that there seems a consensus with the country's counterparts in Angola, South Africa, Egypt, and Algeria. ●

MALAWI

Shock ruling resets poll

The Constitutional Court has nullified the presidential election and re-set the political landscape

The Constitutional Court has ordered a fresh presidential election, saying the Malawi Electoral Commission's (MEC) failure to follow its duties under constitutional and electoral law rendered last year's elections devoid of integrity and credibility.

The 500-page verdict of judges **Healey Potani**, **Ivy Kamanga**, **Dingiswayo Madise**, **Mike Tembo** and **Redson Kapindu** followed months of speculation and long periods of mass civil unrest. It is a body blow to the ruling Democratic Progressive Party's (DPP) President **Peter Mutharika**, who won the 21 May polls by 159,000 votes (AC Vol 60 No 11). The court asked Parliament to sack the MEC and enact new legislation that would ensure a fresh election by 2 July this year under a 50% plus one majority electoral system.

President Mutharika has appealed the decision to the Supreme Court. Insiders say this is to buy more time before an election has to be held. Under the new rules the DPP faces an uphill battle to win. If no single candidate clears 50% in the new election, then the contest will go to a second round. If the opposition coalition holds together and presents a single candidate then it would be certain to win. Given the enmity between the opposition parties and the DPP, the idea that the DPP could form a coalition with a major party in a second round seems far-fetched.

Pundits believe that the judges' de facto institution of a new, two-round presidential election may face a challenge. They did not specify how it should be organised. The judges are believed to have been inspired by the decision of **Kenya's** Supreme Court in

September 2017 to void that country's presidential election on the basis of the failures of the electoral commission (AC Vol 58 No 20).

The judges, who were protected by Malawi Defence Force soldiers, ruled that the electoral body had disregarded the constitution and provisions in the Presidential and Parliamentary Elections Act (PPEA) and the Electoral Commission Act by accepting altered results. It had failed to address all complaints by parties and tally sheets had been tampered with. The case has been in court since August after former Vice-President **Saulos Chilima**, leader of the opposition United Transformation Movement (UTM) and Malawi Congress Party (MCP) candidate **Lazarus Chakwera**, sought a nullification of the May results (AC Vol 60 No 17). The court also reinstated Chilima as Vice-President.

NEGLIGENCE

The court ruled out rigging, intimidation and influence of voters by polling staff, saying the anomalies themselves, supported by an audit report, reflected gross negligence by the commission, which is chaired by former Supreme Court Judge **Jane Ansah**. Ansah, who was singled out by the mass protests against the elections, had said she would resign if the court found shortcomings in her performance.

The court asked parliament to review 'capacity and competence of the MEC' and slammed the body for creating new structures such as constituency tally centres, for combining log-books and tally forms, approving results in the absence of party officials and delegating quasi-judicial powers to the Chief Elections Officer.

'The irregularities and anomalies have been so systematic, widespread and grave that the results ... cannot be trusted as a true reflection of the will of the people,' said Justice Potani.

The ruling sends Malawi into uncharted legal and political waters, as the constitution provides for a first-past-the-post system while the court says it should be election by majority pegged at 50%+1 vote.

The court said only fresh elections in accordance with legal and international standards could reset the democratic choice by Malawians. President Mutharika will remain in office until after a new election.

The opposition asked for, and was granted, the nullification of presidential results only, leaving intact the parliamentary and local elections results, which they accepted as credible, even though all three were conducted together and managed by the same system.

Protests and law-suits began almost immediately after the 21 May elections as Chakwera and Chilima refused to accept Mutharika's victory. The MEC declared at the time that Mutharika took 1,940,709, or 38.57%, of the votes, followed by Chakwera with 1,781,740 or 35.41%, while Chilima came third with 1,018,369 votes, or 20.24% (AC Vol 60 No 5).

The court agreed with opposition submissions on the illegal use of duplicate sheets for calculations of final tallies, mathematical mistakes in additions and use of Tipp-Ex correcting fluid to correct some calculations. The MEC said it did not supply the materials and that teachers recruited as polling staff had improvised their use.

Civil society groups led by the Human Rights Defenders Coalition (HRDC) organised months of mass protests last year, many of which ended in violence, including the mob killing of a policeman in the opposition stronghold of Nsundwe on the outskirts of the capital, Lilongwe, in October. In retaliation, police are alleged to have raped over 16 women and girls when they sought revenge for the killing

of their colleague. The HRDC, which organised more protests to demand the alleged rapists be brought to justice, has been accused of not condemning the killing of the police officer strongly enough.

Both Chakwera and Chilima have attended the demonstrations, some of which were violent, in the opposition strongholds of Central and Northern Region, while the DPP stronghold of the Southern and Eastern political regions was largely quiet.

BRIBE ATTEMPT

Mutharika, Chakwera and Chilima have all made public commitments to respect the court's ruling, but the Anti-Corruption Bureau (ACB) on 20 January announced that it had received a letter from Chief Justice **Andrew Nyirenda** containing allegations of attempted bribery of the Constitutional Court.

The ACB, known for dragging its feet in other cases, especially the Cashgate mega-fraud, surprised Malawians on 22 January when it arrested **Thomson Mpinganjira**, the CEO of FDH Bank, who is seen as close to the DPP

(AC Vol 60 No 9). After a Zomba magistrate issued an order quashing the original warrant just after midnight, there was a public outcry and the ACB re-arrested Mpinganjira on 28 January. He has been charged with three counts in relation to the alleged judge bribery attempt, and is out on bail of 1 million Malawian kwacha (US\$1350) cash bond and non-cash bond of K5m.

The charges are that Mpinganjira offered K100m to the five judges to rule in favour of an unknown party. DPP insiders claim that the Chief Justice was also presented with evidence that the opposition MCP and UTM tried to bribe the court.

NEW LEASE

The ruling gives Chakwera's political career a new lease of life because this was his second attempt to win the presidency, and the MCP constitution only allows two attempts. The 45-year-old Chilima may want to rebrand his image because his association with HRDC demonstrations may hurt him among those who sympathise with small vendors and others who lost property or had to

shut up shop because of the frequent marches (AC Vol 60 No 12).

In December, Chilima pointedly refused to meet members of the European Union Election Observer Mission, which had wanted to release its final report during a visit early this year. The observers had incurred the opposition's wrath by initially describing the elections as 'largely well-organised' with qualifications about 'pre-election tensions' and an 'unlevel playing field'. Chilima and Chakwera criticised the EU team for not waiting until the Constitutional Court had ruled. The final report has not been published yet.

As well as the opposition, Mutharika, who would have to retire after a second term in any event (he would be 84 in 2024), has internal succession battles to manage. So far, his Agriculture Minister **Kondwani Nankhumwa**, Local Government Minister **Ben Phiri**, Finance Minister **Joseph Mwanamvekha** and Justice Minister **Bright Msaka** have all been accused of smearing each other in order to improve their chances of succeeding him.

JUDICIAL REFEREES CHANGE THE ELECTORAL GAME

Africa has now seen two presidential elections – in **Kenya** in 2017 and now Malawi – nullified by a Constitutional or Supreme Court. The most striking feature of the two judgements is that in neither case did the opposition conclusively prove that it won more votes than the ruling party – the standard of proof that courts often require. Instead, in both sets of judgements, procedural irregularities were enough to invalidate the polls. This is a radical change with important implications in these countries and beyond.

In Kenya, the Supreme Court reasoned that the procedural irregularities meant official regulations had not been followed, and therefore constitutional principles had been breached. It also found that accusations of fraud placed a legal burden on the respondents, Kenya's Independent Electoral Boundaries Commission (IEBC), to provide a credible defence, where they were found wanting (AC Vol 58 No 20). This represented a major change. A previous Supreme Court had taken a different approach in 2013, ruling that an election should not be overturned unless it could be shown that malpractice impacted the result (AC Vol 54 No 13).

Malawi's Constitutional Court invoked both 'quantitative' and 'qualitative' reasoning in its conclusion. It fudged the numerical aspect of its judgement by stating that the use of Tipp-Ex correcting fluid to amend results sheets undermined confidence in the polls without specifying how many votes were involved but provided much more detail when it came to the procedural shortcomings of the elections.

The Constitutional Court explicitly cited the Kenyan judgement, which appears to have influenced judges on the importance of the procedural shortcomings and on the failure of the Malawi Electoral Commission (MEC) to justify its actions.

The Malawian judges were extremely critical of the failure of MEC Commissioners to appear in person and of the explanations that were provided for deviations from the procedures set out in electoral regulations. The MEC's position here may have been undermined by its own complacency.

Taken together the two decisions may set a new standard for evaluating the legality of elections. Opposition parties almost always fail to prove that they won elections, in part because they cannot manage the huge logistical challenge of posting party agents to every polling station in order to create an independent set of results. The new criteria lower the bar for opposition parties to challenge dubious polls.

The two judgements may influence ongoing election petitions in **Botswana** and **Namibia** but it is unlikely that this precedent will spread widely in Africa. In other countries senior judges are handpicked by the president and are tightly controlled by the ruling party, such as in **Uganda** and **Zambia**.

However, these judgements do mean that electoral commissions will have to be much more careful in how they organise elections in Kenya and Malawi in the future – and this will complicate the efforts of ruling parties to retain power.

The Malawi Constitutional Court has stipulated the changes that it would like to see, but not in great detail. To come into effect, clauses such as the requirement that the winning presidential candidate secure at least 50%+1 of the vote require discussion and detailed legislation. This may prove to be more complicated than it appears and while there are plentiful templates that could be followed from other countries, the ruling Democratic Progressive Party has no incentive to introduce measures that will make it harder to retain power in the next election. ●

Mutharika has openly condemned these power plays, although suspicions linger that his wife Gertrude is either behind some of the candidates, including Vice-President Everton Chimulirenji, or is considering running herself. The President is widely expected

to dissolve his cabinet and recall most diplomats in the wake of the Constitutional Court's decision. ●

SOUTH AFRICA

Over the rainbow

Ramaphosa grapples with economic crisis, corruption prosecutions and power shortages on a historic anniversary

The 30th anniversary of then-President FW de Klerk's announcement on 2 February 1990 of the release of Nelson Mandela nine days afterwards passed quietly as investors gathered to survey the gloomy prospects for the mining industry at Cape Town's Mining Indaba. President Cyril Ramaphosa's much-anticipated State of the Nation address, due on 13 February, is so close to the anniversary of the father of the nation's release from 27 years in prison, it is inevitable there will be stock-taking.

South Africa's hard left and the lords of business will be examining the President's words, equally keenly to see how far he will diverge from populist economic policies that are part of the ruling African National Congress's programme and viewed with dread by private sector interests. The speech will be expected to signal whether or not the ANC will continue on the path of economic liberalisation signalled by the government's decision to allow independent power-producers and individual mines to break the monopoly of the state electricity provider Eskom and produce their own power. Mining Minister Gwede Mantashe made the key announcement at the opening of the Mining Indaba on 3 February.

'LOST YEARS'

De Klerk, who has continued his support of the democratic order despite what he calls 10 'lost years' under former President Jacob Zuma, departed from his usual critical but reassuring narrative at the annual meeting of his FW De Klerk Foundation on 2 February to sound a warning.

He said that the ANC had been taken over by a socialist faction bent on implementing policies that would bankrupt the country and he appealed to Ramaphosa to change course, pledging his full support if he did so. 'It is now abundantly clear that we took the wrong turning several years ago and that we are now rapidly heading

away from the high road of non-racial constitutional democracy,' he said citing the ANC's adoption of the principle of expropriation of land without compensation.

De Klerk is not the only critic of the current direction of the ruling party and its leadership. 'It's clear we're in a fast-deteriorating economic climate with no discernible path out of the quagmire,' said Siphso Pityana, a former ANC official who now heads Business Unity South Africa, a lobby group.

'Business, like the rest of society, is edgy. It has no more appetite for platitudes and promises, or contradictory and reactive assurances from President Cyril Ramaphosa,' he said. Calls for the President to accelerate reform of the public sector and purge the ANC of corrupt individuals involved in 'state capture' have been growing (AC Vol 61 No 1).

Much of the hope two years ago that Ramaphosa would clear out the rot from a decade of corrupt and dysfunctional rule under his predecessor Zuma has dissipated as South Africa's investment and accountability ratings have plummeted (AC Vol 60 No 22).

The once heady days of the 'rainbow nation' and the vision of a prosperous non-racial democracy as envisaged by South Africa's first black president, Mandela, are under major strain as the victims of economic deprivation increasingly seek redress along racial lines.

The Ramaphosa government has agreed to implement a land policy enabling the expropriation of land without compensation in prescribed circumstances to redress the stark racial deficit in land allocation (AC Vol 59 Nos 11 & 19). National debates rage about the nationalisation of the Reserve Bank, the country's independent central bank, and the creation of the National Health Insurance system, which economists say is unaffordable and would create another giant state institution likely to be badly managed.

While trials of allegedly corrupt ANC leaders are eagerly anticipated, hopes are high that a 38-year-old lawyer, Nompilo Kholeka Gcale, can soon be appointed Deputy Public Protector. Gcale is being groomed to replace Busisiwe Mkhwebane, the Public Protector appointed by and reportedly still loyal to Zuma. She insists she is the victim of a political witch-hunt (AC Vol 60 No 16). She cannot be sacked by the executive, only parliament.

The optimists also point to the appointment of André de Ruyter, the white Afrikaner appointed chief executive of the beleaguered Eskom. De Ruyter has projected confidence that Eskom's debt can be restructured, although the scale of the problems before him are way beyond his competence alone to deal with. They also see signs of Ramaphosa taking a firmer line within the ruling party, even though his enemies control vital parts of it.

SLOW COMMISSION

To those who complain that the Zondo Commission of Inquiry into state capture has been taking too long to get to the bottom of the issue, one insider responded that it was because corruption had gone so deep (AC Vol 60 No 15).

The life of the commission appointed nearly two years ago will soon be extended to the end of this year, sources said. 'It is vital that the credibility of the commission be preserved,' the Zondo insider said. 'It is not just a question of getting to the bottom of state capture. It is laying the foundation for building a new society based on accountability and the rule of law.'

Standard Bank Group's chief executive Sim Tshabalala said he was mildly optimistic about a modest upside scenario for South Africa.

'But unless things change quickly, South Africa will suffer another year of falling per capita income and rising unemployment,' he said. Tshabalala said the short-term changes would have to include: a resolution of the South African Airways crisis; the implementation of visa reforms for business people and e-visas for Chinese and Indian tourists; regulatory reform to allow large businesses to generate their own electricity; completion of the broadband spectrum auction; holding a new round of procurement for independent power and improving the operational performance of Eskom.

Carlos Lopes, one of Africa's leading development economists and a chief advisor to and negotiator for the African Union, said that South Africa – like **Nigeria**, **Angola** and **Algeria** – has a tough few years ahead of it.

'South Africa is suffering from a deep identity crisis,' he said. 'It doesn't know what it wants or where it is going.' He said it was the role of the nation's leader

to articulate its vision and purpose. 'So, ultimately, it is a leadership issue,' said the former chair of the UN's Economic Commission for Africa without further commenting on President Ramaphosa.

Ivanhoe chief **Robert Friedland**, who is consistently bullish about the continent, said that if South Africa did not have a plan to fix Eskom soon it would not get any further investment

from the mining industry. 'It's their choice,' he said.

The annual global gathering of miners took place against a backdrop of power cuts. The historical behemoth of the economy, Anglo-American Corporation, included a self-charging torch in its welcome pack for delegates as an ironic reminder about the centrality of the Eskom crisis. ●

LIBYA/EUROPEAN UNION

A game of many nations

Turkey's agreement to support the UN-recognised government has upsets the geopolitics of the eastern Mediterranean

The political backing of President **Recep Tayyip Erdogan** of Turkey for the UN-recognised regime in Tripoli is well-known, but less so are the subsidiary clauses in the pact which massively extend Ankara's footprint in the eastern Mediterranean. It has upset **Greece**, **France** and the European Union, and not just the backers of Tobruk-based General **Khalifa Haftar's** Libyan National Army (LNA), **Egypt**, **Saudi Arabia** and the **United Arab Emirates**.

The Memoranda of Understanding (MoUs) which Government of National Accord (GNA) leader **Faiez el Serraj** signed with Turkey in late November contained two clauses, in addition to the extensive military protocols, on 'precise and equitable delimitation of their respective maritime areas in the Mediterranean'. This was the red rag to Greece's bull.

The MoUs effectively ignore the very existence of the island of Crete because they seem to deny the rights of islands over their continental shelves, something fundamental to this aspect of international law and boundaries at sea. Athens believes that Turkey wants to set a legal precedent with the Libyan MoU to strengthen its position in its ongoing maritime disputes with Greece, which derive much of their heat from the presence of large oil and gas deposits.

ENERGY WAR

Greece and **Cyprus** have signed a number of deals with energy giants such as **Italy's ENI** and **France's Total** to drill offshore Crete and Cyprus. Referring the case for mediation to an international judicial body is unlikely to work as Turkey is not a member of the UN Convention on the Law of the Sea.

Well-informed sources say the **United States** government, which has

backed Athens on the issue, is closely following the matter, with an eye to any bearing it might have on **China's** apparently expansionist strategy in the South China Sea. Washington is believed to hold that only inhabited islands – like Crete and Cyprus, but unlike the disputed islands in the South China Sea – should have rights over their continental shelves.

Athens accused Turkey of blackmailing Serraj into signing the MoU, saying Erdogan made it a condition of his sending weapons and forces to help in the GNA's fight with Haftar. The row over the agreement threatened to derail last month's Berlin summit on the Libya crisis and continues to divide the EU's member states (AC Vol 61 No 2). Although directly affected by the developments in the region, Greece was not invited to the Berlin summit, much to its chagrin.

In retaliation, Greek Prime Minister **Kyriakos Mitsotakis** invited Haftar for talks, after which Athens announced that it would only support a peace deal in Libya if it involved the scrapping of the Turkey agreements. **Morocco** is also upset at not having been invited. 'We contributed significantly to establishing the Berlin Process and then we were excluded,' a Moroccan official said.

EU DIVIDED

The situation will get even more complicated if rumours suggesting that Turkey will sign a similar maritime deal with **Tunisia** are borne out. The official EU position opposes the MoU as illegal.

The EU's High Representative for Foreign Affairs, **Josep Borrell**, has confessed that Europe's failure to find a solution to the Libyan crisis is the product of deep divisions among member states. Italy and France, in particular, have long been seeking to

increase their influence in the country, seemingly at each other's expense. ENI and Total have both been intensely active off the coast of Libya.

Last month, Haftar visited Rome to meet US officials. When Italy's intelligence services informed Prime Minister **Giuseppe Conte**, he asked to meet Haftar, prompting Serraj to cancel a scheduled meeting with Conte. Rome does not trust Haftar. Many reports in Italy have argued that Haftar is receiving significant financial support from French President **Emmanuel Macron's** government.

Italians fear that if Haftar prevails in Libya's civil war, it could result in the exclusion of Italian companies from future energy projects, leaving the way clear for France.

The leaders of France, **Germany** and Italy held an informal meeting in the luxury Hotel Amigo in Brussels, on the sidelines of the December EU Council. Germany wanted to try to find a third, 'more neutral' political personality than Haftar and Serraj, we hear. But Paris and Rome could not agree.

ITALY'S ANGST

In recent weeks, a number of meetings have taken place between Italian and Turkish government officials. Rome's other great fear is the possibility of some of the 700,000 refugees and migrants currently in Libya trying to cross into Italy if Libya becomes chaotic again. That's why Rome supports the status quo, but it is also trying to stop Ankara sending troops to Libya in case that destabilises the country. However, Rome allegedly asked for Turkey to be allowed to participate in the Berlin Process, which was why, reports say, it did not sign a joint declaration between **Egypt**, Cyprus, Greece and **Israel** calling the Turkey-Libya MoU illegal. Rome did not want to irritate Ankara.

Greek diplomats have quietly expressed their disappointment with Italy's moves and this is the reason why Athens has aligned completely with French interests in the region and rolled out the red carpet for Haftar.

A high-ranking EU diplomat in Brussels told *Africa Confidential* that

Haftar's visit to Athens, two days before the Berlin conference, took place with the blessing of President Macron. The diplomat added that Egypt, Saudi Arabia, **Bahrain**,

Morocco, **Oman**, the UAE, Israel, Cyprus and Greece have decided to step up collaboration to oppose Turkey in the coming months, an initiative that also has the

silent support of France, which recently sent another frigate into Cyprus's Exclusive Economic Zone, presumably as a signal to Ankara to stay out (AC Vol 60 No 16). ●

ANGOLA IN 2020

Loureço faces the crunch

The campaign to recover loot is popular, and the IMF is supportive, but the numbers are terrible

The pursuit by investigative journalists and Luanda's prosecutors of **Isabel dos Santos** offers a temporary distraction from the country's economic meltdown (AC Vol 61 No 2). Enthusiasm to see Isabel dos Santos on trial in Luanda may wane as the myriad legal cases around her US\$2.2 billion fortune drag on and the prospects of assets returning from overseas fade into the distance. Much will depend on the investigations into what bankers reckon to be more than \$100bn of illicit financial flows out of the country between 2002 and 2017.

Meanwhile, living standards are plummeting as the kwanza weakens. Oil prices are down over a third compared with 2015, with little chance of boosting production soon. Billions of bad loans in kwanza have triggered a credit crisis. Dysfunctional public enterprises make a successful privatisation campaign look unlikely, and the ruling *Movimento Popular de Libertação de Angola* (MPLA) time-servers from the old administration are still running much of the show.

Despite fresh interest in the oil sector, re-balancing the economy and managing spiralling public debt will be tough. This year looks decisive for President **João Lourenço** after his finance team agreed a three-year reform programme with the international monetary fund and credits worth \$3.7bn. J-Lo, as he is popularly known,

will be able to consolidate if the reforms work and more missing funds are brought back. But if conditions continue to decline, the knives may come out.

Having won kudos for his anti-corruption campaign, Lourenço faces questions about his methods and whether the laws he has passed, the legal structures at his disposal and his people in government can manage complex reforms. He will also have to confront vested interests in business and the military but maintain enough support from the nomenklatura, of which he was a central part.

EXILE

Ex-President Dos Santos is immune from prosecution until 2022 and he is, for now, safe in exile in Barcelona. Whether he is prosecuted for corruption after that will be a sign of how far President Lourenço wants to disrupt the system.

Foreign investment is regarded by the government as a key priority. This year, the government wants to launch big projects that can change the country's image. On foreign tours, Lourenço argues that prosecuting crooked politicians and their families should boost investment and pave the way for privatisation.

But Luanda insiders doubt whether the modest reforms and forcing MPLA kleptocrats to return some stolen funds, on which the administration has expended much effort, will woo

heavyweight foreign investors. Angola is seen as complicated, opaque and expensive. 'They haven't realised yet that people simply aren't interested in Angola ... Nobody serious is coming in. There are plenty of other places to go in Africa,' one Western banker said.

This will slow the plans to privatise on an epic scale and disband the old patronage system. Even Angolan oligarchs may be deterred, fearing the limelight could make them targets of the clampdown on corruption.

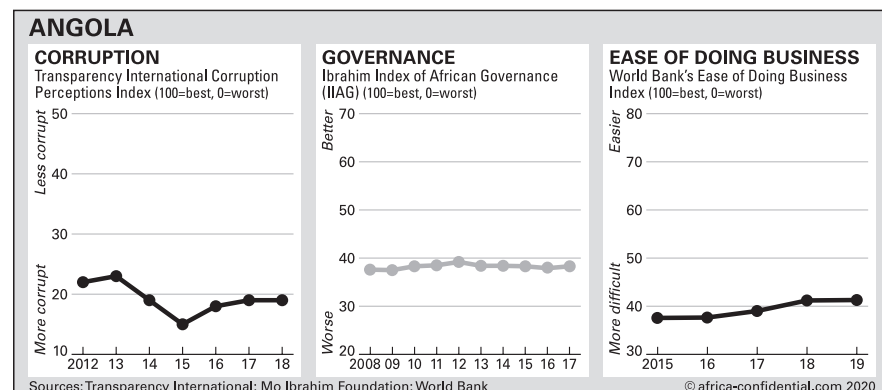
Members of ex-President Dos Santos's inner circle, such as General **Manuel Hélder Vieira Dias Júnior** ('Kopelipa') and **Manuel Vicente**, former vice-president and ex-boss of state oil company Sonangol, have brought back some of their overseas assets. That has so far kept them safe from prosecution, although they too may face justice down the line. Isabel dos Santos's fortune is the most notorious. Although many Angolans speak of 'justice at last' in her case, lawyers say there is little chance of much of her cash finding its way back to Angola. While the allegations count in the tens of millions, rough estimates of the amounts taken abroad by the entire Dos Santos clan touch \$10bn, about a tenth of the total missing.

The government claims to have recovered \$5bn in stolen funds from abroad from all sources. All the signs point to state prosecutors continuing to seek the return of stolen funds against the threat of prosecution under the law specially passed for this purpose in 2018.

CHINA DEBT

Angola will still be burdened with colossal Chinese project-related debt. The ratio of debt-service to GDP is reckoned at 91%, about half of it to China. Angola has borrowed \$40bn from China since 2005, mainly in credit and project finance, making it China's largest debtor in Africa.

The IMF was sympathetic to Angola when it agreed to lend \$3.7bn over three years at the end of 2018. This endorsement has 'fiscal consolidation' with exchange rate flexibility and a 2018-22 National Development Plan at its heart. The first six-month review by the Fund last June was cautious amid a harsh 'external environment'. It reiterated its confidence in the government's commitment to the programme but Luanda had already asked for relaxation of some of its targets, balking at the austerity policies



and local political reactions. The IMF's confidence helps the government but doesn't change the financial weather dramatically. The *povo* may blame J-Lo and his team rather than the Dos Santos clan for the country's latest misfortunes.

J-Lo has mobilised popular support for his campaign against the Dos Santos dynasty but if, as seems likely, the economic pain worsens, many

will point to the fact that Lourenço is himself a product of the system. Nostalgia for 'good old days', however misplaced, under President Dos Santos could expose J-Lo to the machinations of the ex-President's many allies still in positions of influence.

All these factors are coming together in 2020 and will test J-Lo's survival skills. To make the reforms

work and bring in new capital, he will have to rethink the government. 'He has to turn around the economic situation, give an incentive to the people,' a veteran analyst told us. 'The government is pretty hopeless in terms of skills and delivery. He needs to build up a new team of young people who are academic, patriotic and haven't been in government. It's a matter of survival.' ●

NIGERIA IN 2020

King for a year

President Buhari will push through more economic nationalist policies. Beyond that, the picture gets cloudy

As he wrestles with mutually reinforcing economic and security problems, President **Muhammadu Buhari** can no longer blame an uncooperative national assembly or opposition state governors if his planned reforms stall again.

Buhari and the All Progressives' Congress (APC) control the executive, the Senate presidency and the Speaker in the House of Representatives, and most of the sub-committees which scrutinise policy. The ostensibly centre-left and economically nationalist APC also controls 21 of the 36 state governments. It is set to hold the two states – Ondo and Edo – facing elections this year. Yet Buhari's presidential dominance could be short-lived if he fails to manage factional battles within his party as contenders spar over the succession.

Barring a recurrence of health trouble, President Buhari, 77, is in power until 2023. Although he has ruled out amending the constitution to seek a third term, he wants his legacy to include a rebalancing of the economy away from oil and imports, a strengthening of the security forces and a cut in corruption and illicit financial flows.

Most of that is going either slowly or badly, six months into his second term. Economic growth is not keeping up with the birth-rate, let alone producing investment firepower for structural change and diversification. To compensate for the shortfall, the government has a US\$30 billion borrowing programme for big infrastructure projects. Much will depend on the pace of implementation, sluggish and bureaucratic in the past.

Yet there was a scramble against capital flight in January. Finance specialists say over \$20bn from deliberately mispriced trade, kickbacks on procurement, tax evasion and

money-laundering scams leaves Nigeria each year. Former Attorney General **Mohammed Bello Adoke** has been extradited from Dubai in connection with his role in the OPL 245 case involving Royal Dutch Shell and ENI (AC Vol 56 No 24). The trial of 15 international and Nigerian officials continues in the Milan High Court. Yet getting stolen assets back is tortuous. Some \$350 million, stolen by General **Sani Abacha's** regime in the 1990s which presided over a procurement scam with Halliburton and other construction companies, was only returned to Nigeria at the end of January.

The government has started the process of getting former oil minister **Diezani Allison-Madueke** extradited from Britain to face trial in Nigeria and is robustly contesting – on grounds of corporate corruption – an award of \$9bn to Irish-based P&ID for compensation on a failed gas project in Cross River State (AC Vol 58 No 16 & Vol 60 No 16).

The biggest blight is insecurity, fuelled by resource fights, local politics, criminalisation of business and officialdom, and the climate crisis: clashes are more critical and widespread than at any time since the end of the civil war, 50 years ago last month.

A regional security initiative to combat kidnapping and herder-farmer clashes – known as Ametokun – in six states in the south-west prompted claims that it was unconstitutional from Attorney General **Abubakar Malami**.

When faced with protests across the country from other regions that want to replicate the Amotekun initiative, Malami quickly backed down. Activists are also focusing attention on the security forces' lack of accountability, demanding the exit of all the security chiefs, who were due for retirement three years ago.

DEVOLVING FIGHT

The bad news for Buhari is that security is being folded in with calls for devolution and decentralisation, meaning more power to the 36 states; that is whether it involves Islamist insurgents in the north-east, herder-farmer clashes in the north-west and north-central, kidnappers in the south-west, resource control militants in the south-south or secessionists in the south-east.

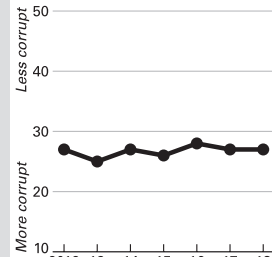
Restructuring the federation in Nigeria is the opposition People's Democratic Party's (PDP) most popular policy. It also splits the APC on regional lines. Northern activists oppose it because they think it will cost them revenue from the federal treasury; southerners support it as their states have wider tax bases or they want higher resource royalties from oil exports.

This fight will expose the fault lines in the APC as the country edges towards the 2023 elections. For now, the south-west faction of the party sees

NIGERIA

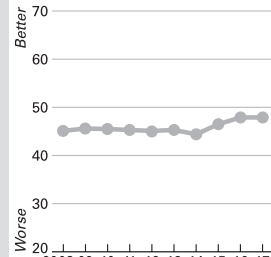
CORRUPTION

Transparency International Corruption Perceptions Index (100=best, 0=worst)



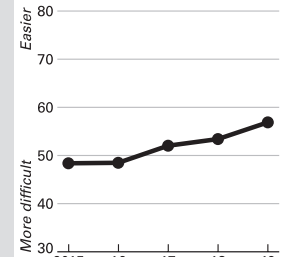
GOVERNANCE

Ibrahim Index of African Governance (IIAG) (100=best, 0=worst)



EASE OF DOING BUSINESS

World Bank's Ease of Doing Business Index (100=best, 0=worst)



Sources: Transparency International; Mo Ibrahim Foundation; World Bank

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IT'S TAX AND MORE TAX

There are questions about debt sustainability due to the revenue crisis. Nigeria's tax revenue ratio of 7% of GDP is one of the lowest in the world, less than half **South Africa's**. Nigeria is trying to transition from an oil revenue distribution rate to a tax-collection state but progress is painful and slow.

The government wants to use its US\$30 billion borrowing to invest in diversification. The conditions for industrialisation include an international base line of electricity consumption of 300 kilowatt-hours per person, an investment rate of 25% of GDP and 70% adult literacy. Nigeria's electricity consumption is about 150 kWh a head, investment levels at about 13% of GDP and literacy rates ranging from around 50% on average to 95% in the south-west, which reports better figures for investment and power too.

It will also push ahead with command economics, meaning the central bank compels commercial banks to lend to small-medium companies for productive activities such as agro-processing and manufacturing. Most controversially, the land borders will remain closed for trade, pressuring neighbouring states' economies, for much of 2020. The main target is **Benin**, where President **Patrice Talon's** government has been seen as facilitating rice smuggling from south-east Asia, bringing cargoes across the border.

Under **Godwin Emefiele's** governorship, the central bank will use more foreign reserves to shore up the naira against the dollar. The systems of complex multi-tier exchange rates and forex rations for defined priorities will be simplified. It's a concession to the mainly independent economists who sit on the Presidential Economic Advisory Council.

Facing urgent economic and security demands, **President Muhammadu Buhari's** team will need far more political will to fight vested interests in the bureaucracy and business. There are big tests coming up with a restructuring of the privatised power sector and the start-up of a 650,000 barrel-per-day refinery owned by the Dangote Group, which could transform the economics of the oil and gas sector.

Government also expects a boost from several gas initiatives, following the December signing of a final investment decision on the seventh train at the liquefied natural gas Bonny Island export plant. The oil majors want to sell more assets, which could allow local companies to increase their share of national output.

Buhari's replacement of the Federal Inland Revenue Service chief **Babatunde Fowler**, and the increase in VAT to 7.5% in the 2019 finance bill will do little to ameliorate the revenue crunch. State governors, facing union demands on the minimum wage, will get higher VAT receipts; the states and local governments together get all but a sixth of the take. ●

itself as the inheritor of its leadership. The frontrunners from the south-west are: Vice-President **Yemi Osinbajo**; national leader of the APC **Bola Tinubu**; Chairman of the governors' forum, **Kayode Fayemi**; and, as a long shot, Buhari's running mate of a decade ago, Reverend **Tunde Bakare**.

That won't preclude contenders from elsewhere. Prime among them would be Kaduna state governor **Nasir el-Rufai**, a sharp-talking cerebral politician who is less popular within his party than the wider electorate. Initially the favourite for the APC nomination in 2023 – based on his monumental

wealth and securing Buhari the presidential vote in the south-west – Tinubu's star has fallen. But it's far from clear whose star is rising, despite Buhari's insistence that his relationship with his deputy Osinbajo is 'perfect' when asked about reports of tension between the two.

CASH RACE

The race for the PDP nomination looks messier still but may be decided by money. That means the frontrunners will be multi-millionaire and last year's failed candidate **Atiku Abubakar** or someone close to Rivers State governor **Nyesom Wike**, who last year backed Sokoto State governor **Aminu Tambuwal**.

Schisms in the two main parties, which split over 95% of the national vote in the presidential elections, are mostly rooted in fights over leadership positions.

Both the ruling APC (ostensibly centre-left and economic nationalist) and the main opposition People's Democratic Party (centre-right and pro-market) are factionalised, more by internal fights over leadership positions than policy.

The chairmen of the APC, **Adams Oshiomole**, and the PDP, **Uche Secondus**, are both under fire from their parties for their choice of candidates in the regions in the 2023 elections. Oshiomole has been throwing his weight around in Edo State, his home state. If the APC loses this year's gubernatorial elections there, Oshiomole is likely to be pushed out.

The headline policy issues are economic: lacklustre growth of 2.5% a year, no more than the birth rate, together with rising unemployment. In the national assembly, the government has pushed through its \$35bn budget this year and approval for another \$30bn of local and international borrowing. ●

SOUTH SUDAN/SUDAN/IGAD

Beyond a hundred days

Hopes dim and donors lose patience as factions come no closer to a lasting agreement

Despite the prodigious efforts of various diplomats, regional organisations and assorted church groups to push for the formation of a government of national unity, there is increasing concern the deal cannot be implemented by the 22 February deadline, despite Juba's refusal to countenance any further deferment.

A deal has already been delayed twice by the failure to apply the provisions of the September 2018 Revitalised Agreement on the Resolution of the Conflict in South Sudan. Even after November's last-minute 100-day extension to the pre-transitional period, the key sticking points remain the failure to form a combined national army out of

the opposing forces, and the inability to agree on the number of states and their boundaries (AC Vol 60 No 25).

After the violent collapse of the most recent power-sharing government in 2016, there is no way that **Riek Machar Teny Dhurgon** will return from exile in Khartoum without a guarantee of security, and little prospect of integrating the requisite joint VIP protection unit in time (AC Vol 57 No 10 & 16). There have been four attempts on his life since 2013 by forces loyal to the president.

With the population facing record levels of food deficits and displacement, international patience is wearing thin and donor fatigue is starting to bite (AC Vol 59 No 19). The African Union's Peace and Security Council meeting in

Addis Ababa on 30 January was urged to find additional funding by **Augustino Njoroge**, chair of the Reconstituted Joint Monitoring and Evaluation Commission, established to oversee the peace process and responsible for ensuring the cantonment of forces. He lamented that none of the cash required was forthcoming until late December, severely impacting military integration. Even then, East Africa's regional Intergovernmental Authority on Development (IGAD) had to supply emergency funding after several soldiers reportedly died of starvation due to lack of provisions in the cantonment centres.

HOLD-OUTS

While the ceasefire has largely held as politicians use the time to position themselves for roles in the new unity government, there have been clashes with hold-out rebel forces in Upper Nile, Unity, Jonglei and Central Equatoria, and episodes of cattle-raiding and inter-communal violence. Attempts to bring hold-out forces on board by the Rome-based Sant'Egidio Catholic community resulted in a truce with the South Sudan Opposition Movements Alliance coalition of nine groups, including those led by powerful former army chief **Paul Malong Awan**, former deputy chief of staff and Equatorian strongman, **Thomas Cirillo Swaka**, and former secretary-general of the Sudan People's Liberation Movement (SPLM), **Pa'gan Amum Okiech**. Talks should continue in mid-February, but appear conditional

on the government ending its alleged ceasefire violations.

The **United States** – the largest donor to South Sudan's \$1.5 billion annual humanitarian aid budget – has been particularly angered by the delays, and is increasingly reluctant to underwrite a flawed peace process (AC Vol 60 No 1). In January it imposed sanctions against First Vice-President **Taban Deng Gai** (due to be replaced by Machar in the unity government) for human rights abuses and blocking the peace process, while the previous month it sanctioned Defence Minister **Kuol Manyang Juuk** and Cabinet Affairs Minister **Martin Elia Lomuro** for similar reasons.

The move against Taban is particularly problematic as he led the opposition faction that stayed on board after peace collapsed in July 2016, and last year his army, known as SPLA-IO/2, was officially reabsorbed into the renamed South Sudan People's Defence Force (AC Vol 60 No 4). As other opposition factions previously outside the latest agreement are driven to participate through fear of missing out, there is the very real danger of the former IO/2 forces in the Nuer heartland of Greater Unity State feeling sidelined and potentially returning to the bush.

In an effort to reward existing allies ahead of the reshuffle required by power-sharing, President **Salva Kiir Mayardit** has been handing senior military positions to key loyalists. He controversially appointed several civilian politicians Lieutenant

General, including his security advisor, **Tut Kew Gatluak**, Energy Minister **Dhieu Mathok Diing Wol**, Deputy Foreign Minister **Deng Dau Deng**, Lol State governor **Rizik Zachariah Hassan**, and Northern Liech governor **Joseph Nguen Monyuil**.

SUDAN FACTOR

Last year's overthrow of Sudanese dictator **Omer el Beshir** has simplified negotiations with Kiir's former adversaries (AC Vol 60 No 8). Khartoum's uneasy transitional administration – an alliance between military junta and civilian oppositionists – has been active in trying to bring the South Sudanese together, with interim premier **Abdalla Hamdok** accompanying Machar to meet his counterparts in Juba. Hamdok maintains that Machar will be freed from house arrest in Khartoum in early February, ahead of the formation of the new government in Juba.

Juba has been attempting to build bridges between Sudan's new rulers and the Sudanese People's Liberation Army-North. However, as with the fractious Darfuri rebels and those in South Sudan, large hold-out sections remain, and the majority of the SPLA-N – based in the Nuba Mountains of South Kordofan under breakaway rebel leader **Abdelaziz Adam el Hilu** – have refused to engage in the political roadmap agreed by the rival faction of **Malik Agar Eyre Gandof** and **Yassir Said Arman**, insisting on a return to secular rule as a precondition. ●

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POINTERS

Côte d'Ivoire

SORO SOUNDS OFF

■ Prevented from re-entering his country, **Guillaume Soro** remains determined to stand in the presidential election (AC Vol 61 No1). He announced at a 28 January press conference in Paris law suits in several jurisdictions against the Ivorian authorities who have charged him with treasonous offences. He also hopes a **French** prosecutor will charge the Ivorian national prosecutor **Richard Adou** over his claim to possess a recording in which Soro allegedly talks about a coup d'état, a charge similar to the one that got him into trouble in **Burkina Faso** (AC Vol 56 No 25). This forms the basis of the case against him back home.

No observer, however, is in any doubt that Soro is being excluded from the presidential election because he presents a major threat to the other politicians who intend to stand, and that the charges are fundamentally political.

Soro has claimed, as if it somehow legitimises his argument, that President **Alassane Ouattara**, in front of witnesses, promised him the vice-presidency of his party and therefore, as an inevitable consequence, the keys to the presidential palace. Soro neglected to mention that this would have been blocked by the bigwigs within Ouattara's *Rassemblement des houphoëtistes pour la paix et la démocratie* (RHDP) and its predecessor *Rassemblement des républicains* (RDR), who never trusted him (AC Vol 57 No 9).

Those with long memories recall that Ouattara made similar promises to his former ally **Henri Konan Bédié** – if the story of the promise to Soro is true. Back in 2010, Soro, feeling betrayed by ex-President **Laurent Gbagbo's** rejection of the 2010 presidential election result, delivered victory to Ouattara by taking his rebel army across the political divide (AC Vol 57 No 12 & Vol 52 No 6). Yet Soro has an army no longer.

Mali

PUTSCHIST WALKS FREE

■ The leader of the 2012 failed military coup, and suspect in the torture and murder of multiple Red Beret paratroopers opposed to his putsch, **Amadou Haya Sanogo**, has been released after six years in detention. Although the release was described as provisional, pundits believe that there is now no realistic prospect he will ever face trial (AC Vol 54 No 21).

After an abortive first trial in 2016, hearings were finally due to resume

on 13 January. But the current defence minister, General **Ibrahim Dahirou Dembélé**, a one-time Sanogo colleague charged with 'passive complicity', said he would resign if summoned to give testimony. This gave the authorities a convenient excuse to postpone once more a contentious trial for which they have little stomach, fearing what Sanogo might reveal. Any serious attempt to punish Sanogo for his alleged crimes would be highly divisive.

Dembélé can now focus on military priorities. The army is preparing to deploy to Kidal, a centre of Tuareg separatism, for the first time since 2014 and, alongside allies from the G5 force and **France**, it is set to ramp up the campaign against Islamic State in the Greater Sahara (ISGS – AC Vol 60 No 22).

Releasing Sanogo also makes political sense for President **Ibrahim Boubacar Keïta's** ruling coalition, as it steers him away from confrontation with southern-based populists and radicals like **Oumar Mariko**, who see Sanogo as a hero, in the 29 March parliamentary election.

Meanwhile, the special envoy for central Mali, former interim head of state **Dioncounda Traoré**, says he has put out feelers to the jihadist leaders **Amadou Koufa** and **Iyad ag Ghaly**, alarming his Western collaborators. Officially, the line is 'no talking to terrorists'. Previous Malian regimes have been accused of tolerating jihadists and narco-traffickers.

Tanzania

MINING FOR CLARITY

■ Mining companies, already under pressure from the resource nationalist offensive of President **John Magufuli's** first presidential term, are complaining that the government's vagueness over its stakes in their operations is hindering investment. New laws in 2017 changed the investment climate, with the government taking an 'equitable stake' in mining operations. But the companies want to know what this means precisely and claim the government won't elaborate (AC Vol 59 No 13).

Under the 2017 Permanent Sovereignty Act and later amendments, the government takes a free carried interest of 16% in each company operating under a mining licence. But neither the Treasury Registrar nor the Ministry of Minerals has specified how the government share should be structured.

Many companies have let the issue slide and left the initiative to the government. They hope enthusiasm for the idea will dissipate, much as it seems to have in the contentious telecoms sector where Vodacom remains the only company to have completed a

process, mandated in the legislation for completion by the end of 2016, of listing 25% of its shares on the Dar es Salaam Stock Exchange.

For many exploration companies inching their way closer to securing financing for Tanzanian projects, the ambiguity around the 16% government stake is preventing them closing deals. Ministers and officials have been lobbied continually by the companies on shareholding structures, voting rights and management input, but without luck so far, according to local mining sources. Multiple models have been proposed to the Treasury Registrar in efforts to break the logjam, but the companies claim that the government refuses to engage with the issue.

The signing of the Framework Agreement between the government and Barrick Gold on 24 January, setting the seal on the most notorious controversy between mining companies and Dodoma, has brought encouragement that the government stake can be codified and agreed (AC Vol 58 No 15).

Tanzania

ZITTO'S DEMOCRACY TOUR

■ The MP and leader of Alliance for Change and Transparency (ACT Wazalendo), **Zitto Kabwe**, has been touring Europe and North America to warn that President **John Magufuli** and the ruling *Chama Cha Mapinduzi* are seeking to create a one-party state. Kabwe says Magufuli intends to so hamper the opposition parties that a landslide victory for the CCM is guaranteed, and that after that he will entrench the ruling party's dominance (AC Vol 61 No 1).

Kabwe is setting up what he hopes will be an effective block on Magufuli's ambitions in alliance with ex-members of the Zanzibar-based Civic United Front (CUF) who have joined ACT Wazalendo.

Kabwe hopes that a strong opposition showing in the Zanzibar polls can head off any effort by Magufuli to scrap term limits in the constitution. If ACT-W can hold enough seats in Zanzibar, that would prevent CCM getting the two-thirds double majority of MPs from both the mainland and Zanzibar that is needed to approve constitutional changes (AC Vol 60 No 15).

Kabwe recently urged the World Bank to withhold a US\$500 million loan for secondary education until the government ended its ban on girls who have given birth returning to school. One CCM MP called for him to be killed and the speaker of parliament call his remarks 'treasonous'.

ACT-W officials claim CCM could only get 10% of the vote in a free and fair election in Zanzibar.

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BLUE LINES

If African leaders were confused by the US government's attitude towards their countries and continent, they were surely left none the wiser by Secretary of State Mike Pompeo, who visited Senegal, Ethiopia and Angola on a whistle-stop tour of the continent this week, his first trip to sub-Saharan Africa since taking office two years ago.

Critics say that the Trump administration lacks any coherent strategy or interest in its African relations. A trade deal was offered to Kenya early this month, but there is little detail on what the new Prosper Africa trade strategy will look like. Investment is stagnating, even if the new International Development Finance Corporation is intended to be a rival to Chinese investment.

Pompeo offered little on those fronts. Instead, in Ethiopia, he borrowed a leaf from the EU's playbook, taking a veiled swipe at China, warning that 'countries should be wary of authoritarian regimes and their empty promises' that 'breed corruption, dependency and instability'.

He also offered mixed messages on security and the US military's role in anti-jihad missions. 'We have an obligation to get security right here, it's what will permit economic growth and we're determined to do that,' said Pompeo in Senegal. Yet he also indicated the Trump administration wished to withdraw its troops from the Sahel. When Washington has little to offer beyond sanctions and travel bans, wonder critics, what was the point of Pompeo's trip?

SUDAN

Beshir's trials begin

Although the government has opened talks with the ICC, that doesn't mean the ousted leader will face trial in the Hague any time soon

Reports that the Khartoum transitional government has approved cooperation with the International Criminal Court in the Hague came on 11 February after a flurry of diplomatic initiatives, mostly aimed at getting Sudan removed from the **United States'** list of state sponsors of terror. The ICC has had a warrant out for **Omer el Beshir** on three counts of genocide for nearly 10 years.

This month, the Khartoum government paid US\$30 million in compensation to families of US sailors killed when *Al Qaida* bombed the USS Cole warship in Aden port, **Yemen** in 1999. A US court found that Sudan's Islamist regime at the time had helped *Al Qaida's* operation (AC Vol 49 No 17). On 3 February, the military leader of the transitional government, Lieutenant-General **Abdel Fattah Burhan** had a meeting with **Israeli Prime Minister Benjamin Netanyahu** in **Uganda**. After this Sudan relaxed its ban on Israeli planes overflying its territory and Netanyahu promised to put in a good word for Sudan in Washington.

At the same time, Prime Minister **Abdalla Hamdok**, a former deputy chief of the UN's Economic Commission for Africa, has been discussing the opening of a substantial new UN operation in Khartoum involving technical support on judicial reform and peacebuilding (AC Vol 60 No 17). As part of that relationship UN Secretary-General **António Guterres** has been speaking at international forums in support of Sudan being removed from the US terror list.

A commitment by Khartoum's transitional government to work with the ICC, including signing and ratifying the Rome statutes, was taken by outsiders as a signal that it was prepared to hand over Beshir to face trial on charges of genocide and crimes against humanity at the court in the Hague.

HYBRID COURT

The reality is more convoluted but this latest development makes it likelier that Beshir will face a credible trial for war crimes committed when he despatched militias to suppress a rebellion in Darfur in 2003. On 18 February, **Faisal Saleh**, the Information Minister and a veteran journalist, confirmed that the transitional government was discussing options with the ICC that could include a hybrid court, involving Sudanese and ICC-appointed judges, a purely ICC judicial panel set up in Khartoum, or the transfer of Beshir and other suspects to face trial in the Hague.

Saleh said that an ICC delegation was due in Khartoum to discuss details, but any decision on Beshir would have to have the approval of both the military and the civilian members of the transitional government.

Discussions about cooperation between Khartoum and the ICC over cases in Darfur grew out of peace talks between the transitional government and the Sudan Revolutionary Forces.

The two sides agreed the negotiations would run along four tracks, one of which would be cooperation with the

NIGERIA	2	SOUTH AFRICA	5	SOUTH AFRICA	6	SIERRA LEONE	7	WEST AFRICA	8
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The army is in retreat. Corruption, indifference and a lack of resources are blamed		With the DA in turmoil, political players are gearing up to form new political movements		Amid protests, the President is leaving the heavy lifting to the finance minister		The President wants to shake up the mining sector, but the miners are fighting back		POINTERS	12

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ICC investigations and prosecution of those accused of war crimes in Darfur. Under the previous National Congress Party (NCP) regime led by Beshir, the government had refused to have any dealings with the ICC. The change of tack by transitional government spokesman **Mohammed Hassan el Taishi**, a participant in the peace talks, may have been designed to speed up the talks and bolster Khartoum's diplomatic standing at the same time.

NEGOTIATIONS

In line with the manifesto of the Declaration of Freedom and Change Forces (DFCF), the negotiations between Prime Minister Hamdok's team and the SRF, which started in September 2019, aim to consolidate peace across the country.

The SRF is also demanding to be included on the legislative council in the transitional arrangement. In a show of good faith, the transitional government has postponed the establishment of the legislative council which had been due last December.

Likewise, the appointment of civilian governors in Sudan's provinces to replace the military ones appointed by Beshir has also been postponed. In both cases the SRF will have its own nominees, agreed after the peace talks have concluded. Then, the SRF

demanded that Beshir and others wanted by the ICC should be sent to the Hague and prosecuted as a pre-condition for the negotiations to continue.

Although Hamdok's civilian ministers in the transitional government and the DFCF are sympathetic to handing over Beshir, the military members of the sovereign council, the top layer of the transitional government, are not.

Burhan, head of the sovereign council, and the commander of the Sudanese Armed Forces (SAF) is opposed, thinking it would set a dangerous precedent for him and his fellow officers. He wraps up those concerns in a nationalist argument that Sudan's highly politicised judiciary should be given a chance to show it can take on a big, complex case. Few take that view seriously.

The most likely outcome now appears to be cooperation between Khartoum and both the ICC and the UN's judicial reform unit, which could set up some kind of hybrid court mechanism along the lines of the Special Court for **Sierra Leone**, which tried alleged war criminals after the civil war there and in Liberia.

However, personal and political loyalties could still slow things down. Relations between the civilians in the transitional government, all of whom want to see the restoration of constitutional rule and the establishment of independent institutions of state, and their military and security counterparts remains tense.

The three-way split between the SAF, the Rapid Support Forces (RSF) militia (which had been policing Khartoum) and the National Intelligence and Security Service (NISS), with their own armed units,

is far from resolved. Many fear that at some point fighting will break out between the rival forces and talk of trials for retired officers, with their own networks of loyalists, will not help much.

Burhan owes his last promotion as inspector general of the army to Beshir. Like Beshir, Burhan is a member of the Sudanese Islamist movement. Indeed, most of the senior ranking officers were promoted by Beshir, who kept a tight grip on the army during his 30 years in power.

HEMETI RISK

Should Khartoum open cooperation with the ICC, the most vulnerable figure in the government would be **Mohammed Hamdan Dagalo 'Hemeti'** who had the most direct involvement in Darfur because he led a unit of the *Janjaweed* militia there, which was since rebranded as the RSF. The ICC indictments against Beshir name another *Janjaweed* leader, **Ali Kushayb**, who fought alongside Hemeti in Darfur (AC Vol 60 No 16).

It may be that some senior officers, long resentful at the resources controlled by Hemeti and the RSF, may see a deal with the ICC as a useful way to sideline him. Civilians in the transitional government harbour deep suspicions of Hemeti and the RSF, whom they hold responsible for the violent dispersal last June of the mass protests in Khartoum, killing at least 110 people.

Perhaps sensing this changing mood, Hemeti went on Sudanian 24 television to complain about poor relations between the military and civilian members of the transitional government. No one in Khartoum doubts the truth of that statement. Grave tensions at the heart of government are unlikely to be resolved soon. ●

NIGERIA**Generals on the run**

The army is in retreat before the Islamist insurgents. Corruption, indifference and a lack of resources are blamed

Speaking to journalists on 7 February, the army's theatre commander for north-eastern Nigeria, Major-General **Olusegun Adeniyi**, repeated the government's frequent assertion that *Boko Haram* has been defeated. Yet barely a month earlier, the general's own convoy was attacked by the Islamist insurgents on

the main road out of Maiduguri, the isolated capital of war-torn Borno State. On 9 February, a group of civilians was obliged to spend the night in their cars and trucks by Auno, 15 miles west of Maiduguri, because the army had closed the road to the state capital. *Boko Haram* came in the early hours and slaughtered 30 of them before driving

off with the women and children they had captured.

Elsewhere in the state over the past six months, the Nigerian army has withdrawn from over 30 forward operating bases to about a dozen heavily defended 'super camps', ceding large areas of territory to *Boko Haram*.

The upsurge in attacks by the Islamist insurgents poses searching questions about political leadership of the armed forces, the apparent paucity of resources devoted to counter-insurgency, and the army's ineffectiveness. Amnesty International accuses it also of razing entire villages, just one of many 'brutal tactics against the civilian population'.

As Nigeria enters its twelfth year

fighting *Boko Haram*, the group and its offshoots are as resilient and deadly as ever (AC Vol 60 No 25). The fighting has displaced three million people, creating one of the world's largest humanitarian emergencies while jihadist attacks have spilled over into neighbouring **Cameroon, Chad and Niger**, drawing those countries' governments into the conflict. In Nigeria the group continues to conduct near-daily attacks in the north-east. And yet there has been no official pull-back from President Buhari's remarks in December 2017 on the 'technical defeat' of *Boko Haram* (AC Vol 59 No 3).

Nigeria's counter-insurgency efforts are so anaemic, some suspect they are deliberate. Since he assumed office in 2015, the retired general President **Muhammadu Buhari** has taken a hands-off approach to the conflict, deferring to his trusted army chief, Lieutenant-General **Tukur Buratai**.

Under Buratai, Nigerian military operations have faltered (AC Vol 57 No 19 & Vol 60 No 11). Overstretched and ill-equipped, soldiers in the north-east have suffered heavy losses; one media estimate says as many as 1,000 were killed between mid-2018 and mid-2019. The army does not publish casualty figures, while vilifying its critics.

RESILIENCE

The terrorist insurgency commonly referred to as *Boko Haram* now consists of four distinct groups. *Jama'atu Ahlus Sunna Lidda'awati wal Jihad* (JAS) is led by the notorious **Abubakar Shekau**, a bombastic egotist fond of declaiming on YouTube videos whom the Nigerian military has declared dead many times. Shekau's erratic leadership, unorthodox beliefs and targeting of civilians alienated some followers, who broke away to form *Ansaru al Muslimina fi Bilad al Sudan* (*Ansaru*) and aligned with *Al Qaida* in 2012 (AC Vol 54 No 6). In 2016 Islamic State West Africa Province (ISWAP) split away from *Boko Haram*. A fourth entity, *Bakura*, is loyal to Shekau and at odds with ISWAP.

Both JAS and ISWAP represent potent threats to civilian, government and humanitarian targets in Borno State. Their fighters are able to move unimpeded through most parts of the state. ISWAP is more powerful to the north and west of Maiduguri. Shekau's JAS operates primarily to the south and east of the city out of two of its long-time refuges: the Sambisa Forest and the Gwoza Hills. *Bakura* operates from an archipelago of marshy islands in Lake Chad.

Collectively, these groups have shown remarkable adaptability and lethal power, frustrating the army and



denying the government control over rural Borno State. They may not hold swathes of territory as in 2014, but they enjoy a degree of territorial presence across much of the state. Over the past year, they have routinely threatened the last 'safe' route connecting Maiduguri to the rest of Nigeria – code-named 'The Golden Gate' by the military. *Boko Haram* has also stepped up attacks on international aid workers, killing 12 in 2019 – twice as many as during the previous year.

For many Borno State residents, the insurgency represents normality. Those resident in areas where the jihadists are intermittently present have to be pragmatic, because they will be killed if they resist the insurgents' demands. In northern parts of the state, ISWAP levies taxes on livestock, fishermen and farmers, providing security, facilitating trade and digging wells in return. Seeking to exploit the ill-will engendered by the military's indiscriminate tactics (as well as the Shekau group's cruelty), ISWAP is trying to present itself as an alternative government.

STRATEGIC FAILURES

Boko Haram owes much of its continued success to the apparent lack of political and military will to prosecute an effective counter-insurgency campaign. Their decision-making is often plodding, disorganised and reactive, suggesting they are ambivalent about ending the conflict. In the words of one Nigerian senator: 'The current arrangement in the fight against *Boko Haram* – whether intentionally or accidentally – is framed to last for ever.'

With the rollout of its 'super camp' strategy last year, the army has taken a defensive posture against *Boko Haram* because of a reduction in its personnel resources and shortfalls in equipment alongside the uptick in attacks on its forward operating bases. The strategy was supposed to provide army units with safer springboards from which

to strike at insurgent targets. But the units still lack the vehicles, manpower, ammunition and air support to conduct sustained offensive operations. The best they can manage is occasional parrying strikes against incoming assaults. The army's main focus has become to defend the super camps – and the supply lines which connect them.

This strategy has allowed *Boko Haram* to take the initiative. Far from containing the insurgents in rural areas, the super camp strategy has given them free rein there. Civilians and government officials are now restricted to Maiduguri, a few other large towns, and camps for the internally displaced. The retreat has also exposed humanitarian organisations to greater risk of attack or simply prevented them from helping remote villages.

RESISTING

Unlike its tepid military strategy, the army's campaign against independent scrutiny and reporting is highly aggressive. Its press releases read like old-fashioned propaganda, luridly describing how soldiers 'decimated' and 'exterminated' *Boko Haram* fighters or put them into a 'permanent discomforting sleep'. They exaggerate the number of insurgent casualties and omit those of the military. The army says reports of near-daily attacks on the main road to Maiduguri from points west are 'fake and mischievous'. In early February it staged a visit to show journalists that the road was safe. Then came the ambush at Auno. The army routinely rubbishes – and occasionally intimidates – journalists and researchers who write unvarnished reports on the conflict, stifling public debate.

In addition to burnishing its image, the army resists international scrutiny by spurning external military assistance and harrying humanitarian NGOs. In September the army expelled two respected international charities

A PARADE OF GENERALS

President Muhammadu Buhari – President and Commander-in-Chief of the Nigerian Armed Forces since May 2015. Insulated by his close aides, Buhari has shown little interest in scrutinising counter-insurgency decision-making or holding military leaders accountable for their performance. In 2015 he claimed that *Boko Haram* had been defeated and in October 2019 he said the group had been ‘substantially defeated’. During a visit to Maiduguri this month, Buhari was booed as his motorcade passed through the city.

Defence Minister Bashir Salihi Magashi – In post since August 2019, the retired general from Kano State is a figurehead, a Buhari loyalist with influence over defence expenditure but little sway over strategy. As military governor of Sokoto State under **Ibrahim Babangida’s** regime, Magashi also belonged to the ‘kitchen cabinet’ of the dictator **Sani Abacha**, commanding the Brigade of Guards, Abacha’s personal protection unit. Magashi has visited Borno twice since taking office.

General Abayomi Gabriel Olonisakin – Chief of Defence Staff since July 2015. A marginalised figurehead, Olonisakin exercises little sway over strategy or operational decision-making. In the words of one Senator: ‘There is no control under him ... the army is on its own, navy is on its own, and also the air force – and the Chief of Defence Staff has a big office doing nothing.’

Lieutenant-General Tukur Yusuf Buratai – Chief of Army Staff since July 2015. A Borno State native, Buratai previously served as commander of federal forces in the north-east. With Buhari’s strong backing, he has become one of the most powerful men in Nigeria. If he keeps his job until September 2020, he will become the longest-serving army chief in Nigerian history. He is also the leading candidate to succeed Olonisakin as Chief of Defence Staff.

Air-Marshall Sadique Abubakar – Chief of the Air Staff since July 2015. A competent, capable and well-respected officer from Bauchi State, Abubakar has worked to recapitalise and professionalise the long-neglected air force during his tenure.

Major-General Olusegun Adeniyi – theatre commander, Operation Lafiya Dole since August 2019. Promoted from deputy theatre commander, Adeniyi is a defensively minded commander who is underperforming in a critical role, critics say. Although troop morale has improved during his tenure, he has been stand-offish in his dealings with humanitarian NGOs.

Major-General Abdulmalik Bulama Biu – General Officer Commanding, 7 Division since May 2018. A likely successor to Buratai, Biu comes from the same local government area in Borno State as the current army chief. Earnest, optimistic and loquacious, he was promoted to his current rank ahead of schedule. In June last year Biu claimed *Boko Haram* controlled no part of Borno State.

Babagana Umara Zulum – Governor of Borno State since May 2019. A former college professor who began his career as a commercial lorry driver, Zulum was the hand-picked successor to **Kashim Shettima**. A populist who previously served as State Commissioner for Reconstruction, Zulum is sometimes critical of both the military and international humanitarian organisations’ activities in his state. ●

– Action Against Hunger and Mercy Corps – from north-eastern Nigeria, accusing them of supporting terrorists. In December 2018 the army even briefly banned the UN children’s charity UNICEF after accusing it of spying for *Boko Haram*. The military has deep mistrust of foreign aid workers because they can independently verify what is going on.

United Kingdom and United States military advisors have for years been frustrated by the army’s unwillingness to accept strategic and operational advice, or even to use shared intelligence in a timely and targeted way. The Nigerian army is a ‘hollow institution’ that ‘cannot defend itself, let alone defeat’ *Boko Haram*, one foreign officer told *Africa Confidential*. Nigeria’s secretiveness and defensiveness over its missteps, inaction and the worsening humanitarian crisis have left policy-makers in Washington and London wondering whether the Nigerian government is truly committed to taking the steps necessary to end the insurgency.

SHORTFALLS

Battlefield shortcomings have added to losses caused by the disjointed counterinsurgency strategy. With the exception of sustained offensives launched during the dry season (from November to May) in 2014/15 and

2016/17, the military’s operational tempo has been languid, giving the insurgents plenty of time to regroup. Many frontline troops still lack sufficient arms, vehicles, ammunition and equipment, despite official denials. Many soldiers have been deployed to the combat zone for years without relief.

The estimated 30,000 combat and support troops in theatre is not enough for the army to project force across Borno State, an area twice the size of **Belgium**. Many frontline battalions are woefully understrength, often less than half their gazetted 770-plus size. Yet even as the insurgency has intensified, thousands of troops are still stationed in sleepy garrisons all across the country. To keep busy and earn special allowances paid by state governors, many undertake policing duties, a reflection of the long-running decline of Nigeria’s federal police force. These troops also moonlight as political thugs, as they did in Rivers State on behalf of the ruling All Progressives Congress (APC) during the 2019 elections, according to media reports and local NGOs.

Counter-insurgency operations have also been hampered by a deep-seated rivalry between the army and air force which leaves them, in the words of one insider, ‘operating in parallel’. This dispute is partly personal, driven by

jockeying between Buratai and the Chief of the Air Staff, **Sadique Abubakar**, for the role of Chief of Defence Staff. There is also inter-service competition for ad hoc defence spending. In April 2018, for example, President Buhari withdrew US\$1 billion from the Excess Crude Account (Nigeria’s rainy day fund) to fund purchases of military equipment and operations in the north-east. Roughly \$450 million of this sum paid for 12 Super Tucano ground attack aircraft that will soon be delivered to the air force (although Abuja is complaining about delays). The remainder largely evaporated, some of it probably going towards the APC’s 2019 election campaign.

PROFITS OF WAR

Although the conflict has devastated the Borno State economy in many ways, the influx of aid agencies and security spending have turned Maiduguri into a boom town as NGOs hire workers and the incomers rent accommodation. Rents have risen substantially. The Borno State government employs over 20,000 people and pays sizeable monthly allowances to security personnel, including ‘Civilian Joint Task Force’ militiamen and traditional hunters. The longer the conflict continues, the more entrenched Borno’s new war economy will become.

Another factor perpetuating the conflict is the opportunities it generates for corruption in the military and the government. The open-ended defence and humanitarian aid expenditures are exempt from public procurement regulations designed to prevent corruption. Although President Buhari claims he has introduced reforms to stop the defence procurement scams which thrived under his immediate predecessor, President **Goodluck Jonathan**, contracting practices in the army remain unreformed and prone to corruption, one senior officer told *Africa Confidential*. There is, experts note, a big gap between the significant sums spent by the army and the amount of new equipment it has taken delivery of.

Other critics say Nigerian lawmakers who are responsible for oversight are part of the problem. They routinely demand kickbacks and contracts for cronies in exchange for approving military expenditure. Powerful legislators jockey to chair 'juicy' committees responsible for overseeing defence matters because of the opportunities for self-enrichment they bring.

President Buhari's decision to retain

his service chiefs for a fifth year – the first time any commander-in-chief has done so since the late 1980s – shows how durable Nigeria's top-down military patronage networks have become, although it is attracting increasing public criticism. Service chiefs typically serve two or three years, depending on their job performance, to ensure they do not personalise the role. Buratai appears to have done just that with the army, cultivating a general officer corps strongly loyal to him and eager to partake of the proceeds of corruption stemming from the counter-insurgency campaign.

GRATITUDE MONEY

Even junior officers are part of the corrupt system, our sources say. One lieutenant-colonel told us that, in exchange for a 'plum posting' to north-eastern Nigeria, he must 'show gratitude' by remitting 3 million naira (\$8,300) to his benefactor at army headquarters. The commanders then generate revenue by making their troops extort civilians at checkpoints or demand kickbacks from those trading in lake fish or contraband fuel. In January, Governor **Babagana Zulum** of Borno State admonished soldiers

he saw shaking down motorists, and publicly rebuked Maj. Gen. Adeniyi for his troops' behaviour.

After raging for more than a decade, the war against *Boko Haram* and other Islamist insurgents looks like continuing because Nigeria's political and military leaders have few reasons to bring it to an end. Too much money is at stake, commentators and political pundits say.

The war has broadened opportunities for defence-sector corruption, while the humanitarian crisis has also created opportunities for self-enrichment among security personnel and officials at the North East Development Commission, National Emergency Management Agency and many state-level agencies. It will be difficult to wean the many conflict beneficiaries off these financial flows without sustained, high-level leadership and sweeping security-sector reforms. Until these dependencies are dispelled, the Islamist insurgents will remain as destructive as ever, exacerbating wider instability in the Sahel region and offering the prospect of a strategic Islamist militia linkup with counterparts in Chad, Niger, Mali, Cameroon, Burkina Faso and beyond. ●

SOUTH AFRICA

Opposition in flux

With the main opposition party in turmoil, political players old and new are gearing up to form new political movements

The main South African opposition parties are in an unprecedented state of flux after the resignation of two black leaders rocked the Democratic Alliance (DA) late last year. Now that President **Cyril Ramaphosa** is steering the ruling African National Congress (ANC) in a more centrist direction he has damaged the DA's ability to restore its status as the main opposition party, pundits are saying.

The turmoil in the opposition could produce some surprises in local government elections next year.

A new political party set for launch in June by former Johannesburg Mayor **Herman Mashaba**, who resigned from the DA in November, claims to have widespread support in Gauteng province. Mashaba says the positive response to his online consultation – known as the 'People's Dialogue' – has convinced him to throw his hat into the ring.

Mashaba, a larger-than-life entrepreneur who wants the death

penalty restored for rape and murder, represents a complete break with traditional South African politics. He is hands-on and charismatic and has a strong appeal in Gauteng where he won support for his pro-poor, nuts-and-bolts style politics but alienated the DA hierarchy. After the DA vote plunged at the last general election, its leader **Mmusi Maimane** resigned along with Mashaba (AC Vol 60 No 23).

'There was a cabal that regarded me as a cheeky black,' he said in a recent interview. 'They thought I was not toeing the line.' Mashaba administration was in coalition with the radical Economic Freedom Fighters (EFF).

SMALL DONATIONS

Ahead of the local government elections next year, Mashaba said his unnamed new party, which he will finance himself, along with small donations from grassroots supporters, would confine itself to Gauteng province

which includes the commercial capital Johannesburg and satellites and the administrative capital in Pretoria.

'The main problem in our politics is the electoral system,' said Mashaba, promising to 'break the mould and run primaries in all 135 wards in Johannesburg. We will engage residents in every ward.'

Mashaba's party could attract 10% of the vote, according to some estimates. That would impact the ANC, DA and EFF and possibly leave him holding the balance of power in the province.

The probable impact of former DA leader Maimane with his yet-to-be-launched Movement for One South Africa (MOSA) is less certain. He insists that South Africa does not need any more political parties. He favours a civil society organisation consisting of citizens, the churches, business and non-governmental bodies to force the ANC government to change direction. Civil society played a major role in ending apartheid under the umbrella of the United Democratic Front (UDF) in the run-up to negotiations which began in 1990. It was also activists who speeded up the end of a decade of corrupt rule and state capture under former President **Jacob Zuma**.

'Political parties are unable to reform,' Maimane said in a recent interview. 'Civil society movements do not split.'

But civil society action requires a common enemy and substantial funding. Maimane, who began his political life in the ANC, says that MOSA's mission is to 'mobilise for change' and against the current direction in which the ANC government is taking the country. He said he would initially deploy a small membership fee and crowd-funding to launch the movement, which is to decide on policy at a consultative forum this week.

CONTRAST

Maimane was parachuted into the DA as leader to replace veteran leader **Helen Zille** in 2015 when she stood down to become Western Cape Premier (AC Vol 56 No 25). Mashaba supported Maimane for the DA leadership but the two have very different styles and political instincts and have not always seen eye-to-eye.

Whereas Mashaba has on occasions been accused of fomenting xenophobia against black people from other African countries, Maimane believes in racial

redress through affirmative action. It is not clear what the relationship between the two will be in their respective political ventures although they have similar goals.

The DA is facing a leadership contest at its federal conference in May. The current acting leader, **John Steenhuisen**, replaced Maimane when he quit last year after a party report criticised his leadership style and policy on affirmative action.

Steenhuisen is being challenged for the leadership role by 31-year-old **Mbali Ntuli** from KwaZulu Natal province. She does not have a national profile but has extensive experience of provincial politics.

The first signs of which way the contest will go will be at the party's policy conference in April. The crisis in the DA erupted when Zille was brought back as leader of the party's Federal Executive late last year after a sabbatical at the South African Institute for Race Relations, a respected liberal think-tank.

The DA has been in deep self-examination since its vote in the 2019 general election fell from 22.2% in 2014 to 20.8%, the first time its vote fell since the country's first democratic elections in 1994. The DA's growth since 2014 was largely from right-leaning white and mixed-race voters rather than black African voters, who have remained at around 6% of the party's support since 2014. Since the resignation of its two most senior black leaders the DA has been polling between 16% and 18%.

FURORE

As a reminder of the racial fragility of the country, Ramaphosa's state-of-the-nation speech on 13 February was delayed by more than an hour when the EFF called for former President **FW de Klerk** to be ejected from the parliamentary public gallery. De Klerk had refused to accept that apartheid was a crime against humanity, but since the furore over the remarks he has withdrawn them and issued a public apology. ●

SOUTH AFRICA

Ramaphosus interruptus

Punctuated by protests, the President gave an eloquent statement but he is leaving the heavy lifting to the finance minister

In the first of two last-chance bids by government to forestall a ratings downgrade on the country's credit rating to junk status, President **Cyril Ramaphosa** failed to convince the markets in his State of the Nation address on 13 February. The rand weakened to trade at above 15 to the US dollar and the country's bond yields rose to 8.3% on the following day.

Parliamentary Speaker **Thandi Modise's** handling of the protests by **Julius Malema's** Economic Freedom Fighters (EFF), which held up Ramaphosa's speech by an hour – got the best reviews. She let the protestors talk themselves out – rather than be thrown out as in the **Jacob Zuma** era – after which they walked out of the chamber and were lambasted by the remaining MPs, both government and opposition (AC Vol 61 No 3).

Moody's, the credit ratings agency due to decide on its downgrade by the end of March, blamed a cut in its projected growth rate for South Africa to 0.7% this year from an earlier 1% on domestic factors such as the power crisis, rising debt and crisis in the state-owned companies. It added a couple of

side-swipes on policy issues, such as the high interest rates and lack of detailed statements on where and when the promised cuts in public spending would fall (AC Vol 61 No 1).

That may come in the government's final chance to ward off the downgrade when Finance Minister **Tito Mboweni** reads his budget in parliament on 26 February.

STRAIGHT TALK

With far less attachment than Ramaphosa to warm words about the public sector or trade unions' wage demands, Mboweni may make a much harder-hitting statement, spelling out the specifics on swingeing cuts, perhaps even a cap on the state's wage and salary bill. Unless that happens, which would probably trigger a public sector workers' strike, a ratings downgrade triggering outflows from the capital and money markets looks a near certainty. That will raise the cost of capital and slow down productive investment.

Local bankers say they have already priced in a downgrade. New and hotter money, they say, will come in search of higher yields. However, in the big

picture part of his speech, Ramaphosa deftly balanced the need for inspiration and vision with more brutal realism about the degradation of the economy after up to R1 trillion (US\$66 billion) was looted under the Zuma government.

He elaborated on Mines and Energy Minister **Gwede Mantashe's** relaxation of restrictions on private power companies competing with the ailing state utility Eskom.

Now, mines and corporations will be allowed to generate their own electricity and the national grid will be opened to renewable energy and small producers, pledged Ramaphosa.

This break of Eskom's monopoly will be as loudly condemned by trade unions as it will be welcomed by small and medium businesses, who will now be able to produce their own electricity without having to apply for a licence.

Ramaphosa also announced that municipalities would be able to buy and sell electricity to users in their jurisdiction, further loosening Eskom's monopoly. Within days, the Cape Town municipality announced it would set up its own power company.

But there was no mention of the staff cuts in Eskom or the public sector which Mboweni has repeatedly called for and will do so again in his budget speech. Whether he gets backing from Ramaphosa and the cabinet is another matter.

After his initial enthusiasm for a proposal by the Congress of South African Trade Unions (Cosatu) to use R250bn (\$17bn) from the Public

Investment Corporation to pay down some of Eskom's R450bn (\$30bn) debt, Ramaphosa has stepped back a little. The idea that the public workers' pension fund, although it has some R1,700bn in it, be used to shore up a mismanaged state company grates with workers and even bankers, who fear financial risks.

Mindful of the crucial role of trade unions and the Communist Party (SACP) in his election, Ramaphosa is treading carefully. The Cosatu plan drew sharp criticism from other trade unions such as **Irvin Jim's** National Union of Metalworkers (NUMSA), which broke away from Cosatu two years ago.

'SOCIAL COMPACT'

Ramaphosa now says that Eskom's debt must be cut 'without putting workers' pensions at risk or compromising the integrity of the financial system'. The proposal had been made in the National Economic and Development and Labour Council (Nedlac) which groups labour, government and business leaders to discuss policy.

Nedlac should negotiate a 'social compact' which would ensure that Eskom generated electricity at affordable prices for both communities and industry, said Ramaphosa.

'This requires both a drastic reduction in costs – a review of irregular contracts – and measures to mobilise resources that reduce

Eskom's debt and inject new capital where needed.' Ramaphosa pushed the idea of social compacts – a three-way bargaining between workers, capital and government – to resolve the many policy impasses.

Some of Ramaphosa's more radical backers, such as **Solly Mapaila**, SACP deputy general secretary, want to go further with a second national negotiation aimed at achieving economic equality – to supplement the political negotiations which led to the first free elections in 1994.

Mapaila called for a 'transformation summit' to ensure that all South Africans share in the national wealth and that the economy be directed more towards investment than consumption. This would mean a robust industrial policy in which state-owned enterprises would play a key role, he said.

Ramaphosa set great store in his speech on creating a sovereign wealth fund. Unlike oil and mineral-rich countries, South Africa doesn't generate a revenue surplus in search of investment. His plans for a state bank, using the old Post Bank network, are further advanced.

Ramaphosa announced a set of detailed measures to cut youth unemployment – now nudging 40% – such as better education and training schemes as well as initiatives to start small businesses and an allocation of 1% of the national budget to fund them.

Facing criticism over the slow progress in bringing corrupt officials to book, Ramaphosa insisted the National Prosecuting Agency was forging ahead. Opposition MPs want Ramaphosa to suspend all ANC MPs and other office holders who have been accused of corruption. There have been several false alarms about imminent arrest warrants for top ANC officials.

CRITICS POISED

We hear that a dozen or so party officials – including secretary-general **Ace Magashule** and deputy President **David Mabuza** – are planning to criticise Ramaphosa's record at the ANC's National General Council (NGC) in June (AC Vol 60 No 21).

Their strategy, insiders say, will focus on resolutions taken at the ANC's last conference in 2017 which have not been implemented, such as the nationalisation of the Reserve Bank of South Africa, and the slow implementation of the resolution to allow the expropriation of land without compensation and the creation of a National Health Insurance scheme.

They will also cite the power cuts, rising unemployment and poverty as signs that Ramaphosa's moderate policies are failing. If the NGC endorses such criticism it would make more likely a challenge to Ramaphosa's leadership for a second five-year term in the elections in 2024. ●

SIERRA LEONE

Spoiling for a fight

The President wants to shake up governance of the mining sector, but the companies are pushing back

President **Julius Maada Bio** put firms operating in the country's mining sector on notice when he outlined a reform programme at the annual Mining Indaba in Cape Town earlier this month. The President, in power for two years, has overturned the sector policies of his predecessor **Ernest Bai Koroma**, promising a new era of collaboration with 'trustworthy and patient' investors after an era of 'extreme lack of transparency'.

Some are calling it resource nationalism and several mining companies are set for a fight to protect contracts agreed under Koroma which critics said were heavily balanced in favour of the companies.

Mines Minister **Foday Rado Yokie**, appointed in May 2019, has been leading

Sierra Leone in a 'new direction' with a mandate to revise mining contracts. Maada Bio had already pledged to cancel all mining contracts that were not favourable to the country and has already overseen the cancellation of two major licences – at the Marampa and Tonkolili iron ore mines – in the past year. Mining accounts for 80% by value of Sierra Leone's exports. **Julius Mattai**, the chair of the National Minerals Agency, is believed to be the intellectual driving force behind the initiative.

LEGAL CHALLENGE

The main iron ore miners, companies which took on the assets after litigation with their former owner **Vasile Frank Timis**, are fighting the cancellation

of their licences. **China's** Shandong Iron and Steel (SISG), a major investor in Tonkolili's late operator, African Minerals, is pursuing litigation in Sierra Leone's High Court, arguing that the cancellation of its licence in June 2019 was illegal (AC Vol 59 No 3).

The Marampa mine in Lunsar, Port Loko, run by SL Mining, a wholly owned subsidiary of **United States** commodities trader Gerald Metals, had its licence revoked in October over a dispute with the government over royalty payments. SL Mining halted operations at the mine in September, just months after shipping its first cargo of 'Marampa Blue' high grade iron ore. Yokie has banned exports from the mine in July, saying that the company had refused to pay royalties, which SL Mining denied.

Marampa was developed and run by Toronto-listed iron ore producer London Mining until September 2014, when the iron ore price crash and the impact of the Ebola epidemic saw the company go into administration (AC Vol 56 No 24).

Timis made a surprise bid for Marampa just two weeks after London

TIMIS SEEKS COMEBACK

SL Mining's dispute with the Sierra Leone government appears to have been seized on by London-based mining entrepreneur **Vasile Frank Timis** as an opportunity to re-enter the country's contentious natural resource arena. Unabashed by the controversy which dogged him in Sierra Leone, Timis is looking to take back control of the Marampa mine (AC Vol 56 No 19).

In a letter, seen by *Africa Confidential*, sent from the Sangarie law firm in Freetown to Mines Minister **Foday Rado Yokie** last October, Timis claimed that Timis Mining Corporation's licence to mine at Marampa was unlawfully cancelled. The letter also alleges:

- That Timis paid PricewaterhouseCoopers US\$250 million for Marampa
- The 2015 takeover of Timis's 75% African Minerals' shares by Shandong was 'dubious'
- That Timis paid advance taxes of \$100m to the government of Sierra Leone in 2007
- That Timis made regular periodic payments of millions of dollars in taxes including royalties.

Maada Bio's government could also be wary of the ongoing impact of a major scandal in Senegal involving Timis's obtaining of gas field licences for his company PetroTim and his close relationship with **Senegalese President Macky Sall's** brother **Aliou**.

A July 2019 exposé by the BBC's Panorama programme claimed that Timis had made payments of hundreds of thousands of dollars to President Sall's brother to gain access to gas concessions off the coast of the country, which Timis then sold on to **United States** oil company Kosmos and finally, to oil major BP in 2017 (AC Vol 60 No 12). Timis used the Senegalese gas assets as collateral against the loan he took from Gerald Metals to develop the Marampa mine – a key point in a **United Kingdom** High Court case between Gerald and Timis which eventually saw Gerald taking on Marampa in 2017 (AC Vol 60 No 12). Timis denies all wrongdoing.

Sources in Sierra Leone said that it was widely known that Timis wanted to re-enter the country's mining industry but that the new government 'isn't ready for him'. A group of journalists and activists is loudly arguing Timis's case in Freetown, we hear. ●

Mining went bankrupt, buying it from administrators PricewaterhouseCoopers for a sum believed by analysts to be 'significantly' below market value. Timis's deal sent shockwaves through the market, especially among the shareholders of African Minerals – the Timis-founded company running the Tonkolili mine. African Minerals had also been hit by the iron ore price crash and was struggling at the time to pay its debts. Market observers were surprised to see Timis pouring his cash into a rival project rather than save the mine he helped to set up. African Minerals went into administration in early 2015 and was forced to sell the Tonkolili mine to majority shareholder SISG.

Gerald Group started operating in Sierra Leone after it bought Metalloyd, the metals trader previously owned by the **United Kingdom**-based commodity and real estate tycoons **David** and **Simon Reuben**, in April 2014. The metals trading division was renamed Gerald Metals and became involved in the Marampa mining project in November 2014, when it provided a \$75 million credit facility to Timis Mining Corporation in return for iron ore offtake from the mine.

DEFAULT

When Timis defaulted on the loan, for which he had used his most valuable assets, an interest in two **Senegal** gas blocks which he sold to BP for an undisclosed sum in 2018, as collateral, Gerald Metals took him to court in the UK and subsequently took control of Timis Mining Corporation and Marampa (AC Vol 57 No 8).

According a Sierra Leonean government briefing seen by *Africa Confidential*, SL Mining was formed to run the Marampa mine after Gerald took over operations in 2016, with TMC's mining lease cancelled by the Koroma government and awarded to SL Mining – a move which was in breach of Sierra Leone's 2009 Minerals and Mining Act (AC Vol 57 No 24).

The briefing details how SL Mining failed to provide agreed shipping documentation for the ore it was exporting and how reporting obligations had not been met. Relations between SL Mining and Maada Bio's government started to deteriorate early last year, despite SL Mining restarting production and shipping at Marampa after a four-year hiatus.

GOODWILL SETTLEMENT

Africa Confidential has seen a document dated September 2019 outlining points for a settlement between the government and SL Mining. As part of a deal SL Mining said it would pay a \$2.5m goodwill settlement to the government and that it expected all corruption charges to be dropped. It would resume shipments and operations and not put the mine under care and maintenance.

In what could be seen as a warning to Timis should he continue to press his suit for Marampa (see box), SL Mining also said that it would 'not hesitate to take legal action against third parties who infringe its rights in relation to the Marampa Project'.

The government briefing seen by *Africa Confidential* says that Sierra

Leone halted negotiations with SL Mining after it received notice of arbitration proceedings from the company and after 'extensive negative publicity' which it claims was generated by SL Mining.

African Minerals and London Mining both enjoyed significant tax holidays under the Koroma administration, with Tonkolili's 2010 mining lease stating that African Minerals be exempt from all duties and taxes on imports of mining plant and mine inputs.

RETURNS

Question marks have also been raised over royalties negotiated by the last regime. According to the Mines and Minerals Act 2009, royalties for minerals mined in Sierra Leone need to be calculated on the basis of market value, but this was widely ignored.

Sierra Leone lost out 'massively' from its tax agreements with London Mining and African Minerals, according to a 2014 report by NGO consortium the Budget Advocacy Group. BAG estimated that the government would lose revenues of \$131m in the three years from 2014-16 from the corporate income tax incentives granted to five mining companies, with nearly all of these losses the result of agreements with African Minerals and London Mining.

As prices start to cycle up again, Maada Bio has an opportunity to extract greater income from Sierra Leone's resource sector than ever before but with the challenge of providing enough incentive at the same time not to deter investors. ●

WEST AFRICA/NIGERIA/CÔTE D'IVOIRE

'Eco'-logical concerns

The mooted new West African currency stands no chance of success unless its architects persuade Abuja to join

Francophone West African countries' decision to convert their CFA franc into a first version of the 'eco', a planned single currency for the whole region, has sparked furious criticism in Nigeria, which has called for delay amid concern that its regional leading role is being usurped.

Côte d'Ivoire's President **Alassane Ouattara**, the prime architect of the CFA reform, will have to embark on a round of diplomatic bridge repairs if he is to allay suspicions of what both radical regional critics and more nationalist members of the Nigerian elite appear to regard as a neo-colonial manoeuvre, seeing the eight members of the *Union Economique et Monétaire Ouest Africaine* (UEMOA) as **French** puppets.

Resentment was clearly evident in the tone of a joint statement issued by Nigeria, **Ghana**, **Sierra Leone**, **Liberia** and **Gambia** – all Anglophone – together with **Guinea**, after they had gathered for crisis talks in Abuja on 16 January. They condemned the franc zone states' appropriation of West Africa's proposed eco as a vehicle for the UEMOA currency reform.

Then on 10 February the Nigerian presidency issued a Tweet calling for delay to the launch of the eco, because the majority of countries in the region have not yet met the agreed economic convergence criteria. The real import of the peremptory social media message was that Abuja will not countenance any major Economic Community of West African States (Ecowas) monetary initiative that it does not lead. And it is not ready.

SUPPORTIVE

Beyond the public indignation, opinions are much more varied, particularly in Accra. Back in December, just a week after Ouattara had announced the CFA reform, the office of Ghana's President **Nana Akufo-Addo** had issued a warmly positive statement: 'We, in Ghana, are determined to do whatever we can to enable us [to] join the Member States of UEMOA soon, in the use of the eco, as we believe it will help remove trade and monetary barriers, reduce transaction costs, boost economic activity and raise the living standards of our people.'

The statement did say that Ghanaian adoption of the new currency would

depend on the adoption of a flexible exchange rate regime and an end to the – French-guaranteed – fixed parity against the euro. But that eventual move to a flexible currency basket is what the Ouattara plan envisages anyway, as the Ivorian president signalled in a 21 January meeting at the Chatham House think-tank in London, noting that Accra would need a dollar component in the valuation of the new currency.

And although Ghana had signed up to the Abuja meeting's condemnatory statement, five days later **Akufo-Addo** chose to attend Ouattara's Chatham House speech, sitting in the front row in an unusual display of solidarity in such a gathering.

COLONIAL CURRENCY

When first announced in December, the reform adopted by UEMOA's eight members – **Benin**, **Burkina Faso**, **Côte d'Ivoire**, **Guinea-Bissau**, **Mali**, **Niger**, **Senegal** and **Togo** – looked like a neat response to an awkward conundrum.

Their governments have been under growing popular pressure, particularly from young voters, for an end to the currency link to France inherited from the colonial era, under which their CFA franc currency has a fixed value against the euro, guaranteed by the French treasury (AC Vol 51 No 14).

Conveniently, on 29 July last year, all 15 members of Ecowas had agreed to press ahead with the creation of their long-planned regional single currency in 2020 – but without having yet worked out a practical detailed strategy for doing so. They agreed economic convergence criteria but did not resolve key sensitive institutional issues – such as the structure, location and operating principles of the central bank.

Meanwhile, Ouattara, as a former deputy managing director of the IMF, was already working on plans for reform of the West African version of the CFA franc, at the request of his UEMOA heads of state (AC Vol 61 No 1). He had begun talks with French president **Emmanuel Macron**, who in November 2017, at a public meeting with students in Ouagadougou, had publicly signalled his own government's openness to change.

The plan eventually devised by Ouattara and his team of technocrats had a straightforward economic and financial logic: being already members of a well-integrated single currency, with a common central bank and set of rules, the eight UEMOA states would form the starter core of the eco, operating their current exchange regime, with the peg to the euro, for this initial phase.

This looked cosmetic but had potential attractions – both for those not participating at the outset and for the initial UEMOA members.

West Africa as a whole would show that its planned new common currency had been launched on schedule, in 2020, albeit with only a limited membership. Meanwhile, UEMOA governments could placate domestic critics by dumping the post-colonial CFA franc currency name.

And for the latter this widely canvassed reform would achieve extra political impact, thanks to two surprise features, revealed only in Ouattara's official announcement of the reform, in Abidjan on 21 December, and clearly designed to defuse African nationalist critics:

- an end to the requirement for UEMOA member states to deposit half their foreign exchange earnings in the 'Operations Account' managed by the treasury in Paris, as a counterweight to the French guarantee of the fixed rate against the euro;
- the withdrawal of France's official representatives from the UEMOA governing institutions.

Macron was present alongside Ouattara to oversee the formal signing of the terms of the new system by French Finance Minister **Bruno Le Maire** and his Beninois counterpart, **Romuald Wadagni**.

But the neat Cartesian logic of this Francophone reform had paid little heed to the sensitive realities of West African intergovernmental politics, particularly in the region's biggest economy and most populous nation, led by a president, **Muhammadu Buhari**, whose first reflex is a defensive economic nationalism, illustrated by the five-month closure of all its land borders (AC Vol 60 Nos 20 & 24).

ABUJA SLIGHTED

Many senior figures in Nigeria feel affronted by the manner in which a group of francophone countries have felt able to take over the eco project for their own purposes, even on a temporary basis, rather than carrying out an internal reform of UEMOA and then working with all the other members of Ecowas to finalise plans for

a launch of the eco. Conspiracy theories about French covert influence are swirling through policy circles in Abuja which will surely grow if Akufo-Addo takes Ghana into the Francophone-launched new eco club.

Even in technical economic and financial terms, there are challenges to resolve if the Ouattara plan is to work. UEMOA states will have to demonstrate that, as they repatriate their reserves from Paris – as Benin has already done – they really can maintain rigorous discipline in continuing to set these forex funds aside to underpin the credibility of their currency without the

legal obligation to do so imposed by the old agreement with France.

REFORM OPTIONS

Kako Nubukpo, dean of the economics faculty at Lomé university and a longstanding and widely respected advocate of reform, has floated the possibility of establishing a new account to hold the reserves but at an institution that carries no post-colonial political associations, such as the Basel-based Bank for International Settlements (the central bank for the world's central banks).

Moreover, the UEMOA's central bank in Dakar, the *Banque centrale des états de l'Afrique de l'ouest* (BCEAO) will have to develop some new skills to successfully manage the eco with a euro peg, once the prop of compulsory foreign exchange deposits in France has been removed.

But even if issues such as these are resolved, it is now clear that awkward political matters will have to be navigated if the eco project is to be steered back on course. The chief among them is Abuja and what it will cost the authors of the project to placate it. ●

WESTERN SAHARA/MOROCCO

Territorial armies

An unresolved but dormant decolonisation dispute risks flaring up into renewed violence, threatening a 29-year-old ceasefire

Forty-five years into the conflict over Western Sahara, Morocco remains implacable in its determination to retain what it argues is its historical sovereignty over the disputed former **Spanish** colony. King **Mohammed VI** (M6) maintains a firm grip on the capital El Ayoun, the booming southern city of Dakhla, the Phos-Boucras phosphate company and other parts of the 'useful Sahara'. The throne has endowed the territory with a huge new round of infrastructure spending and incentives for Sahrawis to give even more loyalty to Rabat.

Just as enduring as Morocco's determination is the aim of the Polisario Front to end Moroccan occupation since 1975 and gain independence. Now, events are stirring the quiescent conflict and causing new anxieties about the UN-administered ceasefire, in place since 1991. There are signs Polisario's strongest supporter, **Algeria** – where senior officers still dominate the power structure (AC Vol 61 No 2) – may be ready to allow a new low-intensity conflict across Morocco's sand walls in the desert to resume.

In the new constellation of power in Algiers, several sources say that the late military strongman Lieutenant General **Ahmed Gaïd Salah's** successor, Major General **Saïd Chengriha**, has control of key security portfolios including the Sahara, rather than new civilian President **Abdelmadjid Tebboune**. But Tebboune will maintain a formal role, including pushing Algiers' support for Polisario. This includes calling for a more robust African Union role in the

conflict and for UN Secretary-General **Antonio Guterres** to appoint a new Personal Envoy for Western Sahara, after **Horst Köhler** stood down last May on health grounds (AC Vol 60 No 11). **Slovak** Foreign Minister **Miroslav Lajcak** is among the favourites to get the job. Köhler's replacement was discussed when SADR President **Brahim Ghali** met Guterres in Addis Ababa on 10 February.

CAMPAIGN

The threat of renewed conflict could reinvigorate Polisario's diplomatic campaign for a UN-led referendum on the territory's future, which has run out of steam even though the Sahrawis have kept their cause alive in sympathetic arenas such as the European Parliament and South African courts (AC Vol 59 No 11). On 23 January a group of **British** civil society organisations including leading trade union general secretaries **Unite's Len McCluskey**, the **GMB's Tim Roache** and **Unison's Dave Prentis** signed a letter expressing concern that 'the UK is seeking to roll over the European Union-Morocco Association Agreement into UK legislation without due attention to the ongoing Moroccan occupation of Western Sahara'. The group was seeking to prevent an EU-Morocco agreement on agricultural and fishery products being rolled over into British law. The UK parliament missed its 11 February deadline to debate the measure.

There is no sign Morocco will give any ground. On 22 January, the parliament in Rabat passed two laws

incorporating Western Saharan waters into Moroccan maritime boundaries. Polisario called the move illegal.

Rabat's war of attrition to reduce the number of states recognising the Saharan Arab Democratic Republic (SADR), now down to around 35, continues to generate headlines in the Moroccan press, which enumerates every Sahrawi diplomatic setback. In early January Foreign Minister **Nasser Bourita** and his **Gambian** counterpart **Mamadou Tangara** were present to open a consulate in Dakhla. A few weeks earlier, the **Comoros** Foreign Minister, **Souef Mohammed el Amine**, joined Bourita to open a consulate in El Ayoun. Both moves were roundly condemned by Algiers.

Rabat continues to spend a huge amount on lobbyists, especially in Washington DC, where they cross swords with paid advocates for Algeria. There was much relief in Rabat when National Security Advisor **John Bolton** left President **Donald Trump's** administration; the veteran hawk had been a long-time advocate of Sahrawi self-determination (AC Vol 60 No 11). Lobbying on behalf of Algeria by the Bolton associate, former National Rifle Association president **David Keane**, was seen as a costly riposte to expensive Moroccan lobbying, via companies including JPC Strategies. Keane has taken the Sahrawi case to officials in the White House, Congress and the US Supreme Court, arguing, 'Rabat has spent millions of dollars on lobbyists and others in Washington to convince policy-makers to do nothing.' Bolton had publicly expressed his frustration at the do-nothing approach.

According to a leading Moroccan international relations expert, although a majority of the population was appalled by Trump's apparently anti-Muslim public positions, 'Morocco would favour a Republican like Trump over the Democrats, who seem to have more time for Algeria and Polisario, to ensure

our hold over the Sahara remains firm.' US Secretary of State **Mike Pompeo** visited Rabat in December. Morocco is careful to keep Moscow on side too and the same day that Pompeo's visit was confirmed, Bourita held a long call with his **Russian** counterpart **Sergei Lavrov**, which took in the 'Moroccan Sahara'.

Rabat has found useful support on Capitol Hill, where last year Republican Congressman for South Carolina **Joe Wilson** sought to bring the Western Sahara into the US campaign against **Iran** and its proxies with a resolution tying **Lebanon**-based Hezbollah to Polisario. Morocco severed diplomatic relations with Iran in 2018 on the basis of the same claim. Evidence remains thin, although according to a Western military official, Polisario has 'received a build-up of more modern arms from the Middle East'. These may well have come from Algeria – itself rearming on a major scale – or other sources, via well-established Saharan smuggling routes.

BRUSSELS BACKING

Rabat has also invested heavily countering Polisario in Europe, Bourita has made progress with the European Union towards talks on a 'deep and comprehensive free trade agreement' (AC Vol 60 No 16). Morocco has invested heavily in Brussels to counter pressure from its parliamentarians and voices sympathetic to Polisario in the European Commission (AC Vol 60 No 4). It received a boost when **Josep Borrell** – who as Spanish Foreign Minister called

for Morocco to be more integrated in the European security architecture – replaced **Federica Mogherini** as the EU's High Representative on Foreign Affairs (AC Vol 60 No 19).

All this activity – and the lack of diplomatic progress following a promising spell a couple of years ago – is making Polisario edgy. In traditional manner, the party held its 15th congress all but unreported in Tifariti on 19-23 December, re-electing 70-year-old secretary-general, and its former military commander, **Brahim Ghali** with 86% of the vote. A new SADR government will follow, with **Bushraya Hamoudi Beyoune**, the previous administration's education minister, as Prime Minister, taking over from **Mohammed el Wali Akik**.

Getting accurate information out of the camps around Tindouf remains difficult, but younger generation Sahrawis have been agitating for their aged leadership to end years of stasis and take more radical action. This is reflected in armed standoffs with Moroccan troops around the southern pressure point of Guerguerat (AC Vol 58 no 6). Morocco fears a sustained outbreak of shooting will fatally undermine its soft power campaign to incorporate the 'Moroccan Sahara' into a new West African political and economic architecture and initiatives to build confidence in everything from Dakhla's claim to be a world kite-surfing centre to big new infrastructure developments, which are aligned with a

renewed regionalisation policy.

Morocco's big hope is for Algeria to shift position. But that appears unlikely. During the December election campaign, Tebboune took a more antagonistic position to Morocco than his rival **Ali Benflis**. This provoked a storm of negative comment in the kingdom, but M6 was careful to offer Tebboune his 'sincere congratulations' following his 12 December victory and to call for the neighbours – whose land border has been closed since 1994 – to turn over a 'new page'.

RIVALRY

Whatever Tebboune's position, the conservative Algerian military establishment will most likely stick by hardline support for Polisario – not least because rivalry with Morocco has driven a huge increase in its own lucrative weapons procurement. Preoccupied by developments in **Mali** and along its southern borders, and increasingly in **Libya**, Polisario is not Algeria's current number one priority. But neither is its establishment's antagonism to Morocco likely to dissipate. Analysts speculate that Algiers would do little to oppose 'a controlled outbreak of shooting', to formally end the 1991 ceasefire.

While Polisario cannot win the Sahara by force of arms, a return to low-intensity violence could lead reluctant governments to the negotiating table. Viewed from Polisario's camps, there may be no other alternative. But from Rabat there will be no surrender. ●

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POINTERS

Mali

TERRORISTS AT THE TABLE

■ President **Ibrahim Boubacar Keïta** says his envoy **Dioncounda Traoré** had his full authority to initiate talks with jihadist chiefs **Iyad ag Ghaly** and **Amadou Koufa** – after years of government insistence there would be no negotiation with terrorists (AC Vol 61 No 1).

The news comes as Mali, fellow G5 Sahel states and **France** ramp up operations against Islamic State in the Greater Sahara (ISGS).

The Bamako elite has a record of dubious deal-making with jihadists, leading sceptics to doubt the benefit of talks. Ag Ghaly's rival fellow Ifoghas Tuareg nobles of the onetime separatist *Coordination des Mouvements de l'Azawad* (CMA), who took the risk of joining the peace process and have begun to demobilise and even welcomed the Malian army back into Kidal, have criticised the new initiative.

Keïta's defenders say he is facing reality, as military action alone has failed. So, while military efforts are directed at ISGS, which is led by **Abouwalid el Sahraoui**, a foreigner, Keïta reaches out to Koufa and Ag Ghaly as 'sons of Mali' (AC Vol 60 No 22).

It's hard to imagine Keïta risking big religious concessions to win over the radical salafist Ag Ghaly – leader of the *Jama'a Nusrat ul-Islam wa al-Muslimin'* (JNIM) – who has repeatedly 'played' hopeful Malian politicians in the past. A 2017 'good offices' mission by High Islamic Council chief **Mahmoud Dicko** came to nought.

But Ag Ghaly might be more persuaded by the need to retain his support base among northern Tuareg tempted by the patronage and public spending that his rivals in the CMA may soon be able to offer, thanks to their collaboration in the peace process.

Namibia

ITULA HAS ANOTHER GO

■ Namibia's Supreme Court in Windhoek may have refused on 5 February to order a rerun of last November's presidential election but opposition political parties are still claiming victory.

Panduleni Itula, who came a strong second to President **Hage Geingob** as an independent candidate despite remaining a member of the ruling SWAPO Party, filed an appeal on 10 February against the decision not to annul the election (AC Vol 60 No 24).

Although the court ruled

unanimously that Itula and several opposition parties had failed to show they had consistently challenged the Electoral Commission of Namibia over its use of electronic voting machines (EVMs), Chief Justice **Peter Shivute** deemed the ECN's use of the machines to be in conflict with the constitution and therefore invalid. The Landless People's Movement (LPM), whose leader **Bernadus Swartbooi** came a distant fourth in the poll, has called for the immediate sacking of ECN chief electoral officer **Theo Mujoro** along with his five commissioners.

There are fears that these protests may provoke the army and the police, which until now have steered clear of overt political involvement. In the run-up to last year's elections the army disclosed it had raised Namibia's security level due to alleged 'dangerous insinuations' on social media, and deployed small numbers of soldiers.

Just before the Supreme Court judgement, the country's most senior police official, Inspector-General **Sebastian Ndeitunga**, ordered heavy security for the Supreme Court and the area around it. Most members of the police and army are Kwanyama, the biggest sub-group of Namibia's northern Oshivambo, some 40% of the population, and rigidly loyal to SWAPO.

Zambia

UNHEALTHY BANK BALANCE

■ Finance Minister **Bwalya Ng'andu's** January request for a funded programme from the International Monetary Fund may be in danger from continued borrowing beyond the Treasury's control, financial sources in Lusaka told *Africa Confidential*. IMF sources have confirmed the request. Any deal with the Fund would require borrowing to be curbed, but the ruling Patriotic Front is still filling its campaign coffers using new loans and inflated contracts, we hear.

A new loan with **Israel's** Elbit Systems, the defence electronics concern, is under discussion, our sources say, and Zambia is going to considerable lengths to find a new way to acquire a second presidential jet after **Russian** aircraft manufacturer Sukhoi cancelled a deal for a VIP version of the Sukhoi 100 amid concerns over Zambia's ability to pay (AC Vol 59 No 20). Now, Zambia has enlisted the support of a Russian leasing firm to close the deal, which would see Zambia buy from Sukhoi, sell to the leasing firm's **United Arab Emirates** subsidiary, which would then lease it back to Zambia, say Russian sources.

Meanwhile, the health ministry is dogged by accusations that health contracts are being manipulated for political ends. Instead of maintaining

its contract with long-time supplier, **Denmark's** Missionpharma, for the nationwide supply of 'health kits' – packages of staple medicines and equipment critical to health services in rural areas – the ministry appears ready to award a new contract to a small local company named Honey Bee, one of three local companies shortlisted in a recent tender.

Missionpharma suspended supply over payment arrears of US\$10 million. It charges around half the \$17m quoted by Honey Bee for a similar annual contract. Ministry insiders doubt Honey Bee can supply the thousands of kits required.

Botswana

WILDLIFE TARGETS

■ Botswana has authorised the resumption of licensed elephant hunting, auctioning licences to shoot 60 elephants worth US\$2.34 million. It's the first such sale since President **Mokgweetsi Masisi** rescinded in May the ban imposed by his predecessor **Ian Khama**.

Under Khama no elephant hunting was allowed. The policy was identified with high-value luxury tourists, including the Duke and Duchess of Sussex. But Masisi supporters criticised the shoot-to-kill policy of Khama's anti-poaching unit and complained that elephant numbers are so high that they are a danger to people in rural areas.

At an auction in Gaborone on 7 February, six hunting packages of 10 elephants each were sold. Only Botswana-registered tourism operators were allowed to participate. They sell on the licences to the affluent Western hunters. The hunting season runs from April to September. The government will allow 272 elephants to be killed, and foreign hunters may export 202 of them.

The allocation is below the Convention on International Trade in Endangered Species of Wild Fauna and Flora quota for Botswana of 400 elephants per year. The government says hunting will not reduce the elephant population. Around 1,300 elephants are born each year, it says. Botswana's elephant population is around 130,000. However, rhino-poaching in the Okavango Delta has increased massively, with 23 white and 8 black rhinos having been killed since October 2018. **Tshekedi Khama**, Ian Khama's brother and the former Minister of Tourism, blamed Masisi's administration for disarming the dedicated anti-poaching unit.

The rhino population is kept secret but Department of Wildlife and National Parks Coordinator, **Mmadi Reuben** said in October that if the poaching 'continued at this rate there will be no rhinos in Botswana in a year or two'.

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BLUE LINES

It is a tragic paradox that African states, with experience of managing epidemics, are better placed than many other countries to contain the spread of Covid-19 nova coronavirus. Yet Africa is likely to be the region hardest hit by the indirect economic effects as the coronavirus epidemic spreads from Asia to Europe and North America.

For oil producers, the most obvious symbol of the epidemic is the build-up of unsold barrels of oil. Almost three-quarters of Angola's and Nigeria's export production scheduled for April is yet to find buyers. Other producers in Congo-Brazzaville, Chad and Gabon report similar problems. Most of this is due to the sharp cut in demand from Asia. Industrial production has halved in China over the past month. Few companies can confidently predict the pace of recovery.

With falling demand pushing the oil price to US\$53 a barrel, Nigeria's finance minister Zainab Ahmed is to launch a mid-term review of the national budget which was premised on oil prices running at some \$4 higher. But the effects of the Asia slowdown will go far beyond oil as international conferences are postponed, tourism slows and flights are cancelled. The International Air Transport Association forecasts losses of \$29 billion this year due to the epidemic. African airlines, already predicting losses of \$200m this year, could see earnings fall by a further \$40m. Although the WHO asks countries not to ban flights from the most affected areas, Kenya Airways and RwandAir have already halted all flights to China.

CONGO-KINSHASA/SOUTH AFRICA

Why Africa is key to Green Economics

Strategic minerals on the continent will power the electric vehicle revolution and a restructured energy industry

More than any other continent, Africa has copious reserves of the vital minerals central to the transition to sustainable energy in the leading industrial economies. As European countries plan to ban petrol and diesel vehicles starting in 2030 and switch to green energy, demand is growing rapidly for the metals used in electric vehicle batteries, solar power and wind turbines.

Chinese state subsidies on electric cars and hefty penalties for manufacturers of petrol and diesel vehicles in Europe are changing the commodity markets and the energy industry. Bloomberg News's energy research unit forecasts that by 2050 about quarter of the world's electricity will be needed for electric cars and almost half of all electricity will come from renewable sources, such as solar and wind.

Already these changes are stoking demand for the raw materials needed for a new generation of vehicles and appliances, especially their batteries (AC Vol 60 No 18). Electric vehicle batteries are made mostly of nickel, lithium, cobalt and manganese. Congo-Kinshasa produces about 70% of the world's cobalt; its government calls itself 'the OPEC of cobalt'.

The United States government frets about the security of supply of rare earth minerals, buying about 80% of its requirements from Chinese companies. Yet a US company, Freeport-MacMoRan, has ceded the market in Congo-K, which produces at least half the world's cobalt, to China Molybdenum, with its fast-growing production and trading capacity.

The US's Energy Research Governance Initiative, under the auspices of the government's Energy Department, names 17 rare earth elements and strategic minerals, such as cobalt, lithium and uranium, as vital to the energy transition. As US officials look for ways to secure supplies of these minerals, African producers see opportunities.

COBALT PRICE FLUX

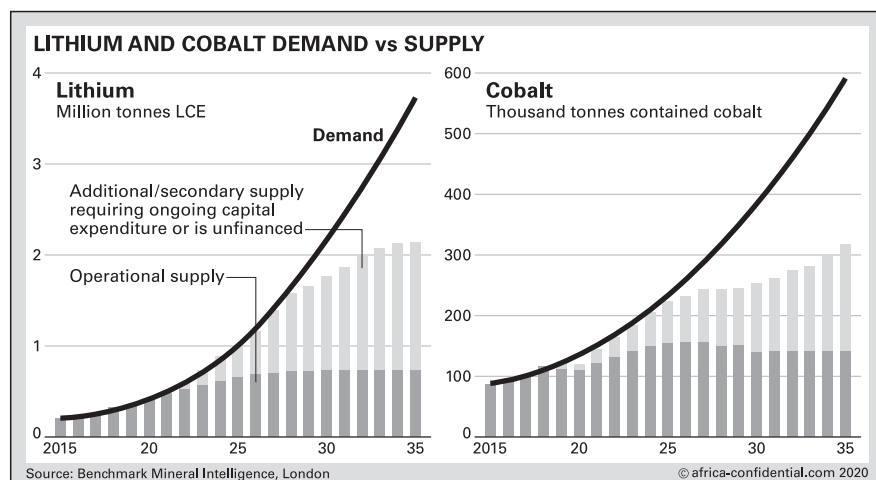
In 2018, world prices for cobalt spiked at over US\$94,000 per tonne. Hoping to reap untold riches, Kinshasa imposed a 'strategic mineral' tax of 10% on cobalt exports that year (AC Vol 59 No 4). Then the price plummeted to under \$30,000 a tonne in 2019, recovering to reach \$37,000 a tonne by mid-February 2020.

The cobalt price collapsed due to faltering demand in China in 2019, after Beijing cut subsidies on electric vehicles. Speculators, who had built up stocks of cobalt in 2017-18, rushed for the exit. Then came the global cobalt glut.

Commodity trading giant Glencore mothballed its Mutanda plant in Congo-K in August 2019. This cut cobalt supplies by about 15% and stabilised the price. In the longer term, demand for cobalt and other battery metals is certain to rise – to the point where mining companies will have to invest massively to meet it.

According to Benchmark, a London-based analyst, tech companies invested over \$60 billion in lithium-ion battery production between the end of 2018 and December 2019. That pattern could change the market again. For now, Tesla, the US

CONGO-KINSHASA	2	LIBERIA	4	SOUTH AFRICA	5	NIGERIA	7	ZIMBABWE	8
Clash of the kings		George Weah at bay		Tito takes on the workers		Aides leak, north-east burns		TOGO	8
President Tshisekedi is in a standoff with supporters of his predecessor		Discontent with prices and a rift with his deputy are weakening the President		As the budget aims to cut public sector pay and sell state assets, trade unions push back		Escalating violence in Borno as leaked memos show between tensions between senior officials		TUNISIA	9
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company run by the eccentric **South African** billionaire **Elon Musk**, built the world's largest battery factory producing cells with a combined storage capacity of 37GWh of electricity each year.

The next biggest is China's LG Chem factory in Nanjing, which has a 28GWh capacity. Benchmark reckons that manufacturers have committed another \$170bn in new battery production over the next eight years. Without any fresh commitments, battery production will more than triple by 2030:

- Tesla's biggest factory will produce 100GWh;
- China's Contemporary Amperex Technology Co Ltd (CATL) – whose factories combined currently produce 72GWh, making it the world's biggest manufacturer – will produce 100GWh;
- The LG Chem plant in Nanjing will produce another 92GWh.

As technology advances, batteries will need less cobalt to generate the same power. Yet demand for cobalt will rise in line with the spread of electric cars and the batteries needed to power them. Cobalt production today could meet demand for another year.

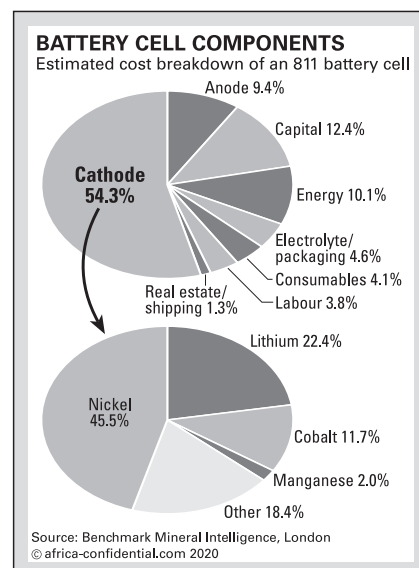
After that, there will have to be heavy investment in new mines. The is true of lithium, which is in more plentiful supply than cobalt, but will

also have to be mined on a bigger scale.

Who will finance this investment? Banks are unwilling to take the risks. That means that battery and vehicle manufacturers will undertake their own large-scale direct investments to produce the cobalt and lithium they need. That will be a pioneering move circumventing the established mining companies (AC Vol 60 No 5).

South Africa's Bushveld Minerals wants to cash in on global demand for vanadium, for use in electric vehicles and for electricity in general. Bushveld says Vanadium will become one of the most important components in electricity generation over the next 30 years. Vanadium redox-flow batteries are an alternative technology to lithium ion. They have a 20-year lifespan, making them ideal for energy storage in stationary facilities.

The coming dominance of electric vehicles over their petrol and diesel predecessors is bad news for platinum and palladium producers. The main use for those metals is in catalytic converters in petrol and diesel engines to reduce CO2 emissions. Due to fear about that shift, South Africa's platinum and palladium producers hit a slump in demand from 2008 until late last year. That prompted sharp cuts in exploration as production stagnated.



For now, oil companies and traditional vehicle manufacturers are looking for ways to navigate the transition, maximising their investments to date. Millions of new petrol and diesel vehicles hit the road every year. All those sold in Europe need catalytic converters for the manufacturers to keep their emissions fines to a minimum. Current platinum and palladium supply cannot meet the demand; so prices for both metals are soaring. Platinum is selling at about \$965 per ounce and palladium is a staggering \$2,435/oz.

Producers' share prices are surging. The Johannesburg Stock Exchange Platinum Metals Group (PMG) index has risen 400% over the past year and is set to rise further. Market analysts say that PMG supply will not meet demand for another four years. In the short-term that's a much-needed boost to South Africa's exports, but in the longer term it will be a brief detour on the route to a new energy and transport industry. ●

Correction: This article could have been read as implying that lithium, cobalt and uranium are rare earths. We are happy to clarify that they are not. Thanks to the reader who pointed this out.

CONGO-KINSHASA

Clash of the kings

Fighting for control over revenues and security, President Tshisekedi is in a standoff with supporters of his predecessor Joseph Kabila

Senior officials in the two coalitions which run the country – the *Front commun pour le Congo* (FCC) and the *Cap pour le changement* (CACH) – are at a stalemate. For several

days in late February, they tried to hammer out agreements over top jobs in the regulatory agencies and state-owned enterprises (SOEs) but failed dismally (AC Vol 61 No 2). This reflects

the national clash between President **Félix Tshisekedi** and his predecessor **Joseph Kabila** over control of the money and security agencies. For now, through the power of his allies in the administration, Kabila wields control over mining revenues the army and the intelligence agencies.

In June 2019 President Tshisekedi, leader of CACH, issued a decree setting out his choice of board chairman at the *Générale des Carrières et des Mines* (Gécamines), the state-owned mining company. He also specified the company's director, and who should

take over the railway company, the *Société nationale des chemins de fer du Congo* (SNCC). Claiming the decree was illegal, the Portfolio Minister, **Clément Kuete Nymi Bemuna** – a member of the FCC, bankrolled by former President Kabila – declined to implement it. Much to Tshisekedi's frustration. The Ministry of Portfolio is responsible for all SOEs in the country.

The clash between CACH and the FCC over the Gécamines/SNCC matter is blocking agreement on other posts. A law promulgated in 2014 created a regulatory authority for electricity, but since then no one has been appointed to lead the body and it remains stillborn. In August 2019 Tshisekedi presided over a national energy forum in Matadi, Kongo Central Province, where the appointment of an electricity regulator is urgent if the government is to deliver on the President's promise to more than double access to electricity by 2023.

When Tshisekedi was in London in January for a 'UK-Africa Investment Summit', the President, reassured by the distance from Kinshasa, complained bitterly about the impasse back home and threatened to assert his constitutional right to dissolve the National Assembly and order fresh elections if nothing was resolved soon.

The threat prompted a furious response from the FCC, with the National Assembly leader, **Jeanine Mabunda**, saying the President could dissolve the chamber only after consultations with her and the president of the Senate, **Alexis Thambwe Mwamba**. Were Tshisekedi to act alone, she said, that would be tantamount to treason. Both Mabunda and Mwamba are Kabila loyalists.

Since then, and particularly on the increasingly rare occasions when he is in Congo, Tshisekedi has been quieter about the stalemate. There is no money for fresh elections and no guarantee that they would produce better results for the President, as the *Commission électorale nationale indépendante* (CENI) remains firmly in the grip of the Kabilists.

'MORAL AUTHORITY'

Kabila – or, as he now styles himself, 'the moral authority' – also seems a little anxious. In early February the former President met with a group of **British** diplomats and told them he was frustrated that Tshisekedi was no longer communicating directly with him. Instead, spokesman **Jean-Marc Kabund**, a person he considers too junior for the job, was being sent to Kabila's private farm in Kingakati, near Kinshasa.

Kabila said he was willing to discuss Gécamines but first needed a

NOT VERY FREE EDUCATION

One of the biggest economic battles is over the increased spending since last year to finance the government's 'free education' policy, known as the *gratuité*. Before this policy, parents of primary and secondary school children were required to pay a bewildering array of fees and charges. Much of this money was diverted; nonetheless, some helped pay teachers' salaries and for the upkeep of schools. Most of that money has dried up and the central government has had to step in to keep schools functioning.

State expenditure on education will rise again in April. The government has promised to pay the so-called *nouvelles unités*. These are teachers recruited over the years to schools where, in certain cases, they constitute the majority of staff. Previously, they were paid from school fees, but the *nouvelles unités* have not been paid at all since the launch of the *gratuité*, prompting many to stop turning up for work. The government hopes the World Bank will urgently disburse funds previously promised to pay for the *gratuité*. It may also be regretting that it did not wait until it had received the money before launching the popular but pricey initiative.

Teachers who were already on the payroll say their recent salary increases do not match what they have lost from their previous share of school fees, but they are much envied by other state employees, many of whom have not been paid for months. Adding to the general pain, the central government has not sent any of the money it owes to the provinces, known as *retrocession*, for at least five months.

Provincial governors, ministers and their teams are not receiving salaries, except through whatever is generated by the provincial revenue agencies. Also unpaid are members of provincial assemblies. The situation is unsustainable but will not improve, it seems, until the government secures fresh international loans. Until then, everyone but the best connected will have to keep running on empty. ●

clear indication from Tshisekedi that he still respects their agreements over power sharing after the 2018 elections, widely regarded as fraudulent (AC Vol 60 Nos 1 & 2). Provocatively, he opined that Tshisekedi was being played by President **Paul Kagame** of **Rwanda**. For this reason, Kabila said, he was not willing to relinquish his hold over the armed forces.

Another of the former President's complaints concerned the behaviour of the **United States** ambassador, **Michael A. Hammer**, who rarely misses an opportunity to criticise him in public. We hear that the US administration wants to ensure that Tshisekedi's presidency does not fail, and thinks that weakening Kabila is an important precondition for this.

Confirming the perception, the US Special Envoy for the Great Lakes Region, **J. Peter Pham**, met with Tshisekedi on February 12 and expressed disappointment with the DRC government's anti-corruption efforts to date. Pham cited the contrasting example of **Angola**, backing President **João Lourenço's** pursuit of the Dos Santos family, which led to the freezing in December last year of assets in Angola owned by **Isabel dos Santos** and her husband, **Sindika Dokolo**.

That was an unfortunate example as Dokolo, who is from Congo-Kinshasa, and his associate **Moïse Katumbi**, former governor of Katanga and driven from the country by Kabila, had asked Tshisekedi to put pressure on the Angola

government to relent in its campaign against Isabel dos Santos. Both Kabila's people in Kinshasa and some of Tshisekedi's advisors made sure that didn't happen. Instead Kinshasa called for Dos Santos and Dokolo to negotiate with the authorities in Luanda.

NOT FOR SALE

Adding to the pressure, international and local civil society groups called 'Congo Is Not for Sale' demand that President Tshisekedi freeze the Congolese assets and businesses of the **Israeli** mining mogul **Dan Gertler**. Gertler was sanctioned by the US government in 2018 for 'opaque and corrupt mining and oil deals' but insists he has done nothing wrong.

An open letter from the coalition to Tshisekedi, published on February 24, also urged the President to order state companies to stop business with Gertler, and to commission an independent audit of all implicated state companies. Chief among these state-owned

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enterprises is Gécamines, whose chairman is **Albert Yuma Mulimbi**, a Kabila loyalist who has been linked to the company's dealings with Gertler to date (AC Vol 60 Nos 5 & 12).

Urged by the US government, the International Monetary Fund has been signalling its willingness to restart lending to Kinshasa. But the Fund is adopting a cautious approach, asking the government to implement a six-month monitored scheme, with no money attached, before it commits further.

The programme is not going well, chiefly because the government is borrowing steadily from the *Banque centrale du Congo* (BCC), shrinking the national reserves and prompting the continuing slide in the value of the Congolese franc.

On 25 February, the IMF issued a statement saying the government should stop borrowing from the BCC immediately and pay back what had already been loaned. The Fund argued that the country's foreign exchange

reserves had been left at 'critically low levels'. Privately, the IMF is also unhappy with wastage through presidential projects and embezzlement of funds intended for Tshisekedi's 'Emergency Programme for the First 100 Days', as well as huge sums being spent by his office on a stream of foreign trips. He took a delegation of well over 100 people to London, for instance, including such essential staff as the First Lady's 'Special Advisor on the Business Climate'. ●

LIBERIA

George Weah at bay

Popular discontent as fuel prices rocket and a deepening rift with his deputy are weakening the President

The crippling petrol shortages this year have pushed up the prices of fuel and much else as commercial transporters raised their fares. Liberians, angered by the steep fall of the Liberian dollar against the US dollar, are venting their frustration on President **George Weah** and his government which stands accused of corruption and cronyism.

Weah inherited a weakened currency from **Ellen Johnson-Sirleaf**, but the slide has been almost constant since his election – from LD157 for US\$1 in December 2018 to almost LD200 now (AC Vol 59 No 8).

Liberia Petroleum Refining Company managing director **Marie Urey-Coleman** blamed the National Port Authority, which manages Liberia's ports, for not ensuring that the entrance to the port was properly dredged, preventing large tankers from gaining access to berths. This prompted rumours that money made available for the dredging works had been diverted. The Ministry of Commerce and Industry, meanwhile, set up a crisis committee that included the LPRD and the NPA, widely seen as responsible for causing the crisis in the first place.

None of this matters to Liberians fed up with their deteriorating living standards. A protest march to the seat of government, Capitol Hill, in early January, reportedly attracted 3,000 people. It was organised by a group called the Council of Patriots, led by the truculent media personality and government critic, **Henry Costa**, who fled to Sierra Leone shortly after the march, citing threats to his life (AC Vol 60 No 10). He was arrested in Freetown on 15 January and was expected to be

extradited to Liberia but two days later Monrovia declared Costa, who is now presumed to be in the **United States**, a fugitive.

Monitors for the Independent National Human Rights Commission and Civil Society Human Rights Platform say that former rebel generals were seen driving through the crowd, even though the venue was a 'no go zone' for vehicles, threatening protesters with violence if they persisted. The men are said to be part of a militia set up to defend the president against real or perceived threats.

Although their existence had long been suspected, plans to create such a militia were publicly confirmed by **Augustine Nagbe**, a former warlord known as 'General Power' who is a member of the Kru ethnic group to which Weah belongs. Nagbe, who announced his intentions on a Monrovia radio station in November, was rebuked for his antics but when rumours of his arrest began to circulate one week after his radio statement, Liberian police declared that no such action had taken place. The government, meanwhile, has denied the existence of such a militia but has stopped short of condemning the idea.

JEWEL FIGHTS BACK

Complicating matters further are reports of a deepening rift between Weah and his Vice-President, the highly influential ex-wife of former president **Charles Taylor**, **Jewel Howard-Taylor**. Seen as being more in tune with the political mores of her country and far more competent than Weah, Howard-Taylor was subject to repeated attacks in January from a Monrovia radio station

owned by a key National Security Agency operative, **Sam Saryon**. She also claims that the Ministry of Finance is starving her office of funds, which a Senate special committee will investigate. When Weah was about to address the nation on 27 January, she made a point of arriving in her own private vehicle and looked decidedly ill-pleased throughout the proceedings.

Howard-Taylor heads the National Patriotic Party (NPP), which began its life as the political arm of her former husband's rebel National Patriotic Front of Liberia. Today, the NPP is part of a three-party coalition, along with Weah's Congress for Democratic Change and the smaller Liberian People Democratic Party (LPDP) of former Speaker **Alex Tyler**, who resigned his post following the damaging Sable Mining corruption scandal (AC Vol 57 No 11). Howard-Taylor's decision to become Weah's running mate was vital to his election in 2017 and a serious rift weakens his standing considerably (AC Vol 58 No 21).

Signs of this fallout came as early as April 2018, when Weah stopped his Vice-President from attending the funeral of **South Africa's Winnie Madikizela-Mandela**, instead sending his wife, **Clar**, along with Foreign Minister **Gbezohngar Findley**. We understand, however, that the rift is not just personal and is as much the result of plots being hatched against her from within Weah's own inner circle as it is from her party tearing itself apart.

With mid-term Senatorial elections due in October, the game of manoeuvring candidates (one for each of Liberia's 15 counties) has begun in earnest. The three constituent members of the coalition are trying to poach seats from each other, contrary to previous agreements. Compounding this complicated mix is the fact that Vice-President Howard-Taylor has constitutional powers to preside over the Senate, albeit without voting rights. Frequently the Vice-President leaves this job to a senior senator, in the role of president pro tempore, but Howard-

Taylor's office has dropped heavy hints that she intends to handle the gavel herself. This suggests that she has no plans to step away from the political fray, and is more likely to use the Senate as a prop for an expected future presidential bid in 2023. Not everyone within the NPP is pleased with such a scenario, however.

James Biney, the reinstated chair of the NPP, has been at loggerheads with Howard-Taylor for many months and has hinted that the feud between President Weah and his Vice-President is tied to her presidential ambitions. It is, in reality, more likely linked to Biney's own closeness to Weah and his inability to rein in Howard-Taylor's influence within the NPP.

Weah is also getting grief from an old campaign promise: the establishment of Liberia's own War and Economic Crimes Tribunal. Having made some

headway towards the creation of such a court, he is now said to be dragging his feet, reportedly as a result of threats issued by yet another former warlord, **Prince Yormie Johnson**, although we also hear that prominent members in Weah's own inner circle are against it. Liberians have been clamouring for such a court ever since the country's Truth and Reconciliation Commission recommended it in 2009.

THREATS

Prince Johnson still very much rules the roost in Nimba County, Liberia's second most populous county (after Montserrado), where the civil war started in 1989. He openly endorsed Weah in November 2017 ahead of run-off presidential elections on 26 December, apparently on the understanding that he would not be subjected to a trial in a national court nor extradited to the

US, where he is wanted for the alleged murder of a US relief worker in 1990 (AC Vol 58 No 24). He has promised unspecified action against anyone wishing to upend this status quo. The threats carry ethnic undertones: promising to rally his Mano and Gio people around him. In combination with the Kru militia project, this ethno-politicking creates a dangerous mix.

Reacting to the ongoing petrol crisis, one member of the House of Representatives wanted to summon all those responsible for the debacle that threatens Liberia's threadbare economy and give them an earful. 'Fire the lot of them' was the headline used by Liberia's foremost newspaper *Frontpage Africa* on 14 February. That may have referred just to lawmakers, but exasperated Liberians are increasingly keen to include President Weah on the list for dismissal. ●

SOUTH AFRICA

Tito takes on the workers

As the budget aims to cut public sector pay by US\$10 billion and sell state assets, trade unions push back on jobs and wages

Threatening huge cuts in public spending but no serious tax hikes, Finance Minister **Tito Mboweni's** budget of 13 February will unleash further political drama and perhaps trigger a national strike. If nothing else, it will show the markets that President **Cyril Ramaphosa** and his close allies, at least, are serious about cutting the budget deficit and managing the ballooning public debt.

It will also embolden the so called 'Fightback' group, including supporters of ousted president **Jacob Zuma** and Secretary General of the governing African National Congress **Ace Magashule**, to step up their attacks on Ramaphosa (AC Vol 61 No 4).

Mboweni, who took the finance portfolio as a stop-gap shoring up Ramaphosa's precarious position, is now the key player in the government's reform strategy (AC Vol 60 No 22). He is also the main face of measures which are anathema to the ANC's trades union and communist allies.

Proclaiming full government support, including from Ramaphosa, Mboweni delivered a tough cost-cutting budget hailed by investors as showing bold leadership. Yet analysts and bankers doubt that Mboweni will be able to push through his planned cuts in public sector pay of R160bn (\$10.3bn)

over three years without political chaos. Workers' organisations and leftist economists see it as a betrayal of those trade unions who still support the ANC.

'This was a declaration of war against 1.3m public servants,' said left-leaning economist **Duma Gqubule** adding that government had reneged on its promise in October last year to consult labour via the Public Service Co-ordinating Bargaining Council but had not done so until the day before the budget. 'This is irresponsible. From an economic policy point of view the budget is a total disaster.'

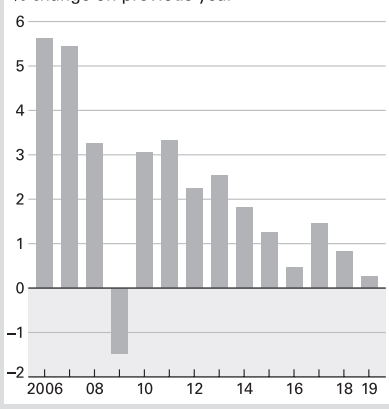
Political insiders say Ramaphosa

has bet everything on the harsh budget cuts. 'It looks as though Mboweni and Ramaphosa are going to swim or sink together,' one said. Ramaphosa, who owes his victory in the ANC leadership to the support of the Congress of South African Trade Unions (Cosatu) and the South African Communist Party, insists the government will be able to reach a new wage settlement with the unions on the basis of Mboweni's cuts. But for now the sums don't add up.

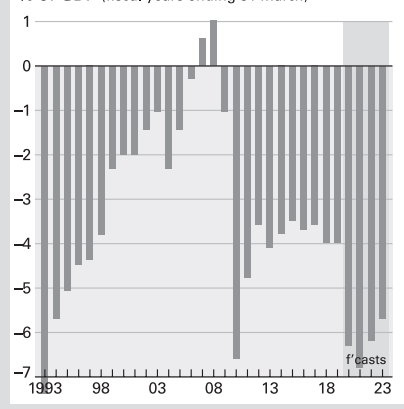
Last year, Mboweni published a discussion paper – Economic Transformation, Inclusive Growth and Competitiveness: Towards an Economic Strategy for South Africa – advocating cuts in public-sector spending and a different economic approach with more of a role for the private sector within a social compact between government, labour and business.

Mboweni continued his lecture on economic realism after his remarks at the World Economic Forum in Davos in January with a brutal frankness about

SOUTH AFRICA'S GDP GROWTH
% change on previous year



SOUTH AFRICA'S BUDGET BALANCE
% of GDP (fiscal years ending 31 March)



MBOWENI WARNS ON DEBT EMERGENCY

A sign that Finance Minister **Tito Mboweni** wanted to make a political point with the budget was his dire warning about the country's deepening debt crisis and that public finances are spinning out of control (AC Vol 60 No 22).

South Africa's debt-to-GDP ratio has escalated from 26% in 2009 to 65% this year and it is set to rise to 71.6% by 2023. Earlier, the National Treasury warned that the debt ratio should not rise above 50%. 'This is a sure sign that the Minister did not have the Moody's rating agency in mind,' an analyst said.

National Treasury, weakened by a decade of corruption and looting of state coffers, has fallen well short of its cost-cutting targets via early retirement and other measures in the past two budgets.

Moody's is due to review its investment rating at the end of March but *Africa Confidential* understands that it might not downgrade to sub-investment status thereby triggering an exodus of portfolio investment from the country. National wage negotiations due to conclude in April will still be under way and the agency will be wanting to see whether government can deliver on the wage cuts.

The next deadline for downgrade would be November – the assessment would depend critically on how much further the government was able to go with the wage cuts and asset sales as it seeks to reduce the budget deficit and manage the ballooning state debt. The other two major global rating agencies, Standard & Poor's and Fitch, downgraded South Africa to sub-investment status in 2017.

Opposition parties on both the ANC's left and right gave conditional backing to the budget. The centre-right Democratic Alliance praised the wage cuts but was sceptical about whether the government could make a deal with the trade unions.

Economic Freedom Fighters leader **Julius Malema** welcomed the budget and praised moves to create a state bank and sovereign wealth fund, in line with his party's policy. But he rejected outright proposed cuts in public sector wages and sales of state assets. ●

the economic realities. Ramaphosa greeted Mboweni's discussion paper positively. But after the trade unions lambasted it, other government ministers and the ANC's decision-making bodies rejected it.

Cosatu rejected Mboweni's budget arguing that any changes to the public sector wage settlement made two years ago would require formal renegotiation – not a diktat from the finance minister. Rival trade union federations condemned the budget more strongly still without any suggestion of negotiations. There is a strong chance of mass protest strikes but so far no clear plans have been announced.

Mboweni went further than any ANC finance minister in calling for the slashing of public sector pay. He said in a pre-budget briefing that expenditure was exceeding revenue and national debt was increasing at an unsustainable rate. Public sector pay had increased by 40% over the past 12 years.

SLOW GROWTH

South Africa has become a continental laggard. **Ghana** grew by 7.5% in 2019 and is reckoned to grow by 5.6% this year. **Ethiopia** is to grow by 7% this year. Now back in recession, South Africa is forecast to grow by 0.9% this year. Power cuts depressed growth to 0.3% in 2019.

Eskom's serial power outages are expected to make even the lower growth

targets hard to achieve (AC Vol 60 No 24). It is too early to assess the impact of the coronavirus and Brexit, but they will bring more uncertainty about trade and investment in the short term.

Talks between government, business and labour are set to continue in a bid to find a compromise in the National Economic Development and Labour Council, which is chaired by Ramaphosa. Nedlac will also discuss a Cosatu proposal that R250bn of Eskom's R450-bn debt should be paid down by the Public Investment Corporation (PIC) which manages R1 trillion in government employees' pensions (AC Vol 61 No 4).

Mboweni welcomed the proposal and said private pensions should also be considered. But energy experts said the proposal would not have any lasting impact unless it was done in conjunction with a viable operational plan for Eskom.

The Finance Minister insisted it is up to Energy Minister **Gwede Mantashe** to implement the government's integrated energy plans and oversee policy and regulatory changes to liberalise the energy market.

It is also Mantashe's responsibility to implement decisions announced by the President in his state-of-the-nation speech last month. Ramaphosa announced that electricity would be added to the national grid from

independent power producers; a fifth bidding round for renewable energy contracts would be launched; an additional emergency 2,000-3,000MW would be added to the grid within 12 months; and municipalities would be enabled to procure and sell power from the private sector.

Mantashe, like Ramaphosa a former head of the National Union of Mineworkers, has been accused by critics of having dragged his feet on these plans and of protecting ailing state-owned enterprises like Eskom even at the expense of the economy.

But the politics are complicated because Mantashe is an ambivalent member of the Ramaphosa camp. He is chairman of the ANC. Mboweni and Public Enterprises Minister **Pravin Gordhan** are Ramaphosa's strongest allies in the Cabinet but neither of them are in the 'top six' party posts.

TOP SIX

The top six includes Ramaphosa, Mantashe, Magashule, who has repeatedly said that he supports indicted former President Zuma despite numerous charges of fraud and enabling of state capture, Deputy President **David Mabuza**, Treasurer-General **Paul Mashatile** and Deputy Secretary-General **Jessie Duarte** (AC Vol 60 No 12).

Insiders say that Mantashe is the only officials in the top six that Ramaphosa can rely on for support and his support is ambiguous because of residual loyalty to the trade unions and tendency to protect the state companies. Duarte has edged towards Ramaphosa and Mantashe but they face solid opposition from the other three in the top six: Mabuza, Magashule and Mashatile, who harbours presidential ambitions in 2024.

Observers expect some heated and acrimonious sessions in the Nedlac forum. Whatever is agreed will have to be approved by the ANC National Executive and the top six. A Cosatu official has accused government of acting like 'pyromaniacs'. 'Workers cannot be treated as scapegoats,' the official said.

Yet the government's options to offer the unions carrots in return for job cuts are running out as financial pressures mount. The government could resort to using arbitrary wage cuts on an annual basis rather than the current system which enters into three-year agreements for public service wage increases.

'This would be incendiary politically but would be an effective negotiating strategy,' said a market expert in London. But Mboweni was confident

that there would be a resolution. 'On the wage bill issue, we will find each other,' he said. 'But it will take a bit of time.'

The savings earmarked would require cuts to public service pay of R37.8bn (\$2.4bn) in the first financial

year, R54.9bn (\$3.6bn) in the second year and R67.5bn (\$4.4bn) in the third year. ●

NIGERIA

Aides leak, north-east burns

Escalating violence in Borno and surrounding states as leaked memos show tensions between senior aides – and a now familiar inertia

It was the worst-kept secret in Abuja. Officials in President **Muhammadu Buhari's** government blame one another for the administration's failings, especially in areas such as security. After a week in which suspected insurgents burnt dozens of civilians alive in their vehicles outside of Maiduguri, two memos from the National Security Advisor, retired General **Babagana Monguno**, accused **Abba Kyari**, Buhari's Chief of Staff, of hampering the security effort, meddling in procurement and interfering in military operational matters.

Monguno's memos were leaked on 17 February but written last December. One, which has received much attention in Abuja, accuses Kyari of meeting service chiefs and ambassadors 'to the exclusion of the NSA and/or supervising ministers'. Gen Monguno says such actions amount to 'a violation of the Constitution and directly undermine the authority of Mr President.'

These acts, he says, of 'continuous meddlesomeness by the Chief of Staff have not only ruptured our security and defence efforts but have slowed down any meaningful gain that Mr President has sought to achieve.'

A second memo complains that Kyari has held up a police procurement contract with International Golden Group. IGG is a private **Emirati** company that has been linked to several opaque arms deals in other parts of Africa and the Middle East. The memo does not indicate the size of the contract, but industry sources have told us that it may have been part of a broader procurement initiative estimated at more than a billion dollars.

Government officials have declined to comment on the dispute between the NSA and the Chief of Staff. Both are from Borno in the north-east and were among Buhari's first appointments after winning the 2015 elections. Last July, Buhari re-appointed Kyari and **Boss Mustapha**, Secretary to the Government of the Federation – but has yet either to re-hire or replace the NSA. Characteristically, the President himself

has said nothing about the leak, the underlying tensions it reflects, or the personnel involved.

Premium Times, the local news website that first published the leaks, has linked the tension between Kyari and Monguno to the stalled IGG contract. Buhari has opposed the use of intermediaries and commission agents in procurement deals, and had questioned the inflation of costs around the police contract, ordering the Ministry of Police Affairs to take back control of procurement from the NSA.

ARMS DEALS

IGG is privately owned by senior royals in Abu Dhabi and has linked with several established Western contractors. An investigation by the Organised Crime and Corruption Reporting project linked IGG to two **Ukrainian** arms companies, Techimpex and Ukrinmash, selling armoured cars to **Uganda**, some of which were intended for **Burundi** at the outbreak of the political crisis there. Documents obtained by the OCCRP show that the armoured vehicles were not shipped directly to East Africa, but were instead sold to the IGG to the United Arab Emirates. After those deals, Techimpex and Ukrinmash signed more contracts to supply weapons to Burundi.

IGG also has links to the **South African** arms company, Paramount, run by **Igor Ichikowitz**. A consummate political networker, Ichikowitz claims a life-long, if initially disguised, relationship to South Africa's government African National Congress. He is also close to **Kenya's Raila Odinga** and Nigeria's former President **Olusegun Obasanjo**.

We hear that Paramount is under growing pressure because of problems in Burundi and **South Sudan** and had been pushing hard for business in Nigeria. But few details have emerged about the IGG contract and its relations to Paramount's sales efforts.

Buhari took no action in support of the NSA or against Kyari when the memo was originally written last year. The President has a longstanding

reluctance to act in response to newspaper headlines: in 2017 he left in post **Ibe Kachikwu**, the then Minister of State for Petroleum Resources, and **Maikanti Baru** the Group Managing Director, Nigerian National Petroleum Corporation, who were then engaged in a visceral newspaper campaign against one another.

But if the leak succeeds in further tying the President's hands, others are acting. Media reports suggest more than a dozen senior officers, including generals and colonels, were withdrawn from the Office of the National Security Advisor in February by Chief of Army Staff **Tukur Buratai**, leaving Monguno isolated. Privately, Monguno's staff blame Buratai and others in the army command for the failure of the current 'Super Camp' strategy in the north-east but concede that they remain in office, beyond retirement age and tenure, on the direct orders of the President.

So who leaked? And what difference will it make? The original memo was copied to several Ministers and agencies. Candidates range across a broad spectrum: the NSA's staff, or the NSA himself, to stave off his replacement; disgruntled staff at the presidency, looking to put further pressure on Kyari, already accused by his enemies of being over powerful (and stifling influential 'business as usual' networks of politicians and contractors); or supporters of the Vice-President, who have clashed with Kyari, or indeed anyone wanting to highlight the inertia and in-fighting at the centre of government.

Some agencies have adopted an entrepreneurial and opportunistic approach to the saga: Health Ministry officials briefed that Nigeria's response to coronavirus had been compromised by Kyari; the ministry was stripped of procurement powers in 2018 after systemic over-invoicing for key equipment and installations. But health emergencies are managed by the Nigeria Centre for Disease Control, which played a key role in preventing the spread of Ebola in 2014 and as a separate agency has received significant new emergency funding since the current pandemic escalated.

The implications for security policy are less clear. The current anti-insurgency strategy is in disarray. The lack of clarity over policy and personnel – either from the Chief of Staff or National Security Advisor – could further damage the government's security response. ●

ZIMBABWE

Oil, guns and politics

An oligarch with ties to an international commodity trader, top politicians and generals is dividing the government

Kudakwashe Tagwirei, managing director of Sakunda Holdings and business associate of President **Emmerson Mnangagwa**, is at the centre of a new political row. As the **Swiss**-based trading company **Trafigura** tries to distance from Tagwirei and Sakunda, more questions are being asked about his business dealings with the President and top military figures.

Opposition activists have long accused Mnangagwa and his business allies of weakening the economy through covert foreign exchange dealings and over-priced procurement deals. With half the country facing the threat of malnutrition, serial power cuts and fuel shortages, some in the political elite are plotting for change. The Mnangagwa-Tagwirei axis is an obvious target.

Last year, hearings held by Parliament's Public Accounts Committee, chaired by opposition leader **Tendai Biti**, heard how Sakunda and its business allies had extracted funds from Mnangagwa's favoured Command Agriculture programme. Last July, Finance Minister **Nthuli Ncube** allocated US\$2.8 billion to Command Agriculture programmes and Sakunda received an advance payment of \$1bn, parliament was told.

The Public Accounts Committee also found that Sakunda had been able to redeem treasury bills at highly preferential rates of exchange through

Akroibos, a well-connected Harare-based broking company. After this, the state media reported that some of Sakunda's had been frozen and Tagwirei's star was falling. Not so. A month later Tagwirei joined Mnangagwa's delegation to a political summit in **France**.

Many believe that Tagwirei and his companies will face sanctions after Washington's ambassador to Harare, **Brian Nichols**, accused Sakunda of running a fuel cartel.

An intriguing puzzle is how Tagwirei managed to stay on equally good terms with both Mnangagwa and his deputy, General **Constantino Chiwengwa**. Having veered between the two, Tagwirei, who has an acute political antenna, now favours Chiwengwa, who quietly returned to Zimbabwe after a long stint of treatment in **China**. Some of Chiwengwa's allies in the military say that his enemies had tried to poison him.

The bitterness between the rival factions of Mnangagwa and Chiwengwa, has plumbed new depths recently, sources tell *Africa Confidential* (AC Vol 60 No 18) just as Tagwirei's political ties were unsettling his foreign business partners. Tagwirei had used his oil dollars to fund a costly election campaign for the Zimbabwe African National Union-Patriotic Front and Mnangagwa, buying vehicles and paying salaries for top-level workers.

In February, the **Swiss**-based

trading giant **Trafigura** said it had bought out Tagwirei's local fuel business, appearing to distance the company from Zimbabwe's most notorious oligarch. **Trafigura** became the 100% owner of the fuel-supply business **Trafigura Zimbabwe** following its purchase of **Sakunda Holding's** 51% stake in the company. The transaction is awaiting regulatory approval.

Trafigura Zimbabwe, formerly **Sakunda Supplies**, imports and distributes petroleum products to the country's largest fuel networks.

As **Trafigura** announced the termination of its relationship with **Sakunda**, two **ZANU-PF** Youth League executive members, **Tongai Matutu** and **Godfrey Tsenengamu**, accused Tagwirei and **Billy Rautenbach**, head of ethanol producer **Green Fuel**, of corruption. Their statement was significant because both **Matutu** and **Tsenengamu** are close to Mnangagwa and were unlikely to have made the accusation without his approval.

The reaction of **ZANU-PF's** politburo was more significant still. By an overwhelming majority, it suspended **Matutu** and **Tsenengamu**, apparently on the instructions of **Chiwengwa**, against the express wishes of Mnangagwa. The **ZANU-PF** political commissar and Deputy Minister of Defence, **Victor Matemadanda**, a close Mnangagwa ally, is trying to convince the party to bring back the suspended pair.

Elsewhere, the top **ZANU-PF** officials who were dropped from Mnangagwa's cabinet in 2018 were given full-time jobs in the party. Their salaries, which match cabinet packages, are being paid by Sakunda, *Africa Confidential* hears. This group of officials, out of favour with Mnangagwa, may now seem themselves as a government in waiting. ●

TOGO

Democratic, for a dynast

Winning the election was the easy bit for Faure Gnassingbé. Securing international acceptance is quite a different matter

Outright victory in the first round of the presidential election came for the incumbent President **Faure Gnassingbé** with 72% of the vote on an impressive 76% turnout. The President has high hopes of legitimising and extending his 15-year presidency. He opted not to seek foreign funding for the organisation of the polls, gambling it would help him avoid foreign censure.

Rain, however, has fallen on Gnassingbé's parade. The **United States** has criticised constraints placed on observers and called for the full results to be published, polling station by polling station. This has boosted the confidence of the leading opposition candidate, **Agbeyomé Kodjo**, who had already challenged the outcome and claimed victory for himself.

Kodjo, a regime prime minister

before going into opposition, is officially credited with just 18% of the vote but has continued to insist he won with between 57% and 61%, according to his own camp's parallel count.

Backed by the respected 89-year-old former archbishop of **Lomé**, **Monsignor Philippe Kpodzro**, who had campaigned for him vigorously, he tried to bring his supporters out on to the streets. He may be correct about the poll being fraudulent but his claim to be the true winner looks ambitious.

For **Jean-Pierre Fabre**, who came second in 2015 with a solid 35% but only managed a humbling 4% this time, the results confirm an impression of being yesterday's man. In boycotting the 2018 legislative elections, he abandoned his parliamentary seat, thus surrendering the official role of leader

of the opposition (AC Vol 60 No 21 & Vol 59 No 24).

This seemed to herald a diminishing role in national politics for Fabre. Kodjo opted against boycotting the parliamentary polls in 2018 and so took over as official opposition leader – and this role is now generously funded by the government.

The 2018 boycott was part of a widespread anti-Faure mass protests but the President waited it out, and then, with too few remaining opponents in parliament to block his legislation, re-set the constitutional clock to allow himself to stand for two more terms.

Fabre returned to the ballot box and did well in the municipal polls last year, as did other opposition parties, and his *Alliance nationale pour le changement* captured four of Lomé's seven constituent municipalities.

However, his inconsistency on electoral participation seems to have cost him dear. Many of his former core voters either switched to Kodjo, if they wanted to send an anti-regime message, or backed Gnassingbé, for the sake of stability and 'a quiet life'.

The ruling *Union pour la République* (UNIR) was pleasantly surprised by the scale of turnout for government election rallies, even if the President's popularity may owe more to resignation than admiration.

If he can ride out the unsettled election aftermath, Gnassingbé can look forward to almost four clear years of governing power until the parliamentary elections in 2023 give

oppositionists a chance to restore their political fortunes. Regional elections in April also offer the opposition a chance to show they are not a spent force.

Meanwhile, Gnassingbé has to find a viable political path to sustain his gradualist programme of modernisation and social progress while fending off internal pressures from the regime old guard.

FAURE'S SECRET

Despite his apparently commanding win, Gnassingbé has less room for manoeuvre than might appear. He is constrained by the strength of UNIR's traditionalist barons, to whom he owes his accession to power in 2005. When his father, President **Gnassingbé Eyadéma** died suddenly, his father's political allies sneaked him into office.

The thugs who in recent weeks have been abducting opposition activists and releasing them after days of beating and intimidation answer only to the old guard. Also at the President's back is an extended family and an entourage hungry for the fruits of patronage.

Insiders wonder if the President is capable of reaching out beyond these circles to political figures who might help him move towards slow but steady reform.

The hugely experienced Kodjo – a past Speaker of parliament, minister and prime minister – might have been thought a potential partner for such a strategy, but not now that he has rejected the presidential poll so firmly.

But Gnassingbé isn't having it all his

own way. Washington was displeased by the electoral commission's decision to expel a team from the National Democratic Institute, the foundation associated with the US Democratic Party, who were helping a local network of observers.

Unlike most West African neighbours, Togo has so far been denied full-scale aid from the US government's Millennium Challenge Corporation because it failed to pass the benchmarks for democracy.

So far, the European Union, and **France**, for whom Togo is a valued ally, appear happy to wait and see if the election will become controversial. They have neither commented on it nor congratulated the President on his victory.

They are afforded some temporary cover by the decision of civil society groups to focus on compiling a parallel tally of local results before submitting a formal legal appeal. Assuming that comes to nought, it remains to be seen whether Paris or Brussels will find the nerve to speak out.

To that must be added more pressing concerns that have the potential to penalise Gnassingbé heavily if he fails. Togo's exports, particularly tomatoes and fish, have been badly hit by **Nigeria's** closure of its land borders, with obvious effects on the economy – and that demands action. In the far north, concerns are growing about potential infiltration by **Burkina Faso**-based jihadists. Troops have been dispatched to the region. ●

TUNISIA

Relief today, trouble ahead

On his second attempt, President Saïed secured his chosen prime minister. But the new man's tenuous coalition will be sorely tested

Nearly five months after the 6 October general elections delivered a highly fractured parliament, Tunisia has a new coalition government (AC Vol 60 No 22). On 26 February, parliament approved **Elyes Fakhfakh** to be prime minister, the country's eighth since the 2011 revolution.

The breakthrough came as the new President **Kaïs Saïed** attempted for the second time to find a candidate to help him form a government.

In November, he was constitutionally obliged to extend the offer to **Habib Jemli** after the independent former Deputy Agriculture Minister was

proposed by *Ennahda*, the party with the largest number of seats.

Ennahda's governing council had initially proposed its own leader, **Rached Ghannouchi**, for the post. But he declined the offer, knowing that his party had lost ground in the election and secular partners would likely resist an Islamist prime minister, especially given that the President is already devout and socially conservative.

Instead, he hoped that Jemli, while close to *Ennahda*, would be seen as independent and technocratic enough to be accepted. But 140 of 219 MPs voted against him in the 10 January confidence vote.

Saïed then tried again, picking **Fakhfakh** who was Finance Minister under *Ennahda's* **Hamadi Jebali**, who headed the government from December 2011 to March 2013.

Fakhfakh is a member of the social democratic *Ettakatol* party, which has all but faded from the political scene, gaining one seat in the 2014 elections and none in October. Fakhfakh, who is regarded as an outsider, came 16th in the September presidential election, with 0.34% of the total vote.

He was almost rejected too. *Ennahda* announced it would not back his nomination and rejected his proposed cabinet despite the offer of several ministerial roles for the party. One of Ghannouchi's objections was Fakhfakh's determination to exclude the party that came second in the polls, *Qalb Tounes* (Heart of Tunisia), led by businessman and presidential runner-up **Nabil Karoui**.

But Fakhfakh's second attempt succeeded, thanks to heavy pressure on *Ennahda* from Saïed, who threatened to

call fresh elections if parliament failed to approve his nominee's re-jigged cabinet.

Another national vote would have been dangerous for *Ennahda*, which lost 17 of its 69 seats in October's election and feared further losses. Some other parties shared similar fears and voted in favour, while *Qalb Tounes* and **Abir Moussi's** Free Destourian Party voted against. Karoui and Moussi are the rising stars of Tunisian politics at a time when the more established political forces are rapidly losing support. The latest opinion polls place the PDL first, *Ennahda* second and *Qalb Tounes* third.

For now, most Tunisians are relieved that there is a government at all. The lengthy 26 February debate and vote in parliament was broadcast live on radio, with the electorate listening attentively and many hoping the vote would succeed.

But forming a government may turn out to have been the easy part. Fakhfakh's coalition was approved by 129 votes to 77. Such a healthy majority would normally augur stability, but the government is a coalition of five parties and several independents who do not share a political vision. A mix

of Islamists and secularists, economic liberals and statist, pragmatists and ideologues, it could fall at the first hurdle.

For his part, Fakhfakh has promised 'deep' reforms, including of the social services and the education system, and action against corruption, crime and terrorism. Few would take these issues off the agenda but consensus on what action to take may be difficult to achieve.

ITS THE ECONOMY

For most Tunisians, the economy is the top issue. Inflation is relentless and, in a country where 39% of the population is under 25 years of age, unemployment is a political and social scourge. Tourism saw a comeback in 2019, with a record 9.5 million people visiting, a 13.6% rise on 2018, earning the country US\$2 billion. But the largest group were **Algerians**, who have limited spending capacity, followed by **Libyans**, many of whom are 'tourists' in the loosest sense, entering the country to avoid the conflict back home. In other sectors, growth lags at around 1%, and mounting government debt is a huge challenge.

The coalition must also deal with the financial burden of the \$2.9bn loan from the International Monetary Fund secured in 2016. It was tied to major reforms which have not materialised and as a result almost half the loan has not been disbursed. Repayments are to begin in November. Rescheduling these, and negotiating the terms, could push the coalition to breaking point. Economic reforms such as cutting the bloated public sector wage bill will be resisted by parties looking to capitalise politically (AC Vol 59 No 2).

The sense of public relief at having a government is tempered by political pessimism. At the debate before the vote on 26 February, several members of parliament questioned whether the will or the resources for reform existed. 'All the promises that [Fakhfakh] has made cannot be implemented with the 2020 budget,' said Moussa. 'All the coffers have been empty since 2011.'

From outgoing Prime Minister **Youssef Chahed** there was a starker warning. The parties in the coalition would balk at the necessary reforms, he said. What would that then do to public trust, he asked, as Fakhfakh was sworn into office. ●

EUROPEAN UNION/AFRICA

Newish but not radical

The EU wants a groundbreaking economic and security accord with Africa – but its efforts to renegotiate a trade deal have stalled

An internal draft of the European Commission's 'Comprehensive Strategy with Africa', seen by *Africa Confidential*, is strong on rhetoric about a new era of partnership but lacks both radical vision and practical policies to boost economic relations.

The EU's strategy due to be published this month says it wants to 'change the narrative: look at Africa for what it is becoming,' citing its young population, launching the largest trade area since the creation of the World Trade Organisation, its push for regional integration and women's empowerment 'all creating huge economic opportunities'.

It would like its new 'partnership' to cover sustainable growth and jobs, a green transition, digital and data transformation, peace, security, governance and resilience, migration and mobility, and multilateralism.

The draft paper says it will focus on 'mobilising the means [from] all sources: political engagement,

official development aid, security, domestic resources mobilisation, private sector, etc.'

EU officials want to corral support for the new strategy from African governments and organisations ahead of its annual summit with the African Union, this year in October in Brussels, when it will launch the new partnership.

Work on the strategy started when EU development ministers met on 13 February. Ministers will debate the recommendations at a Foreign Affairs Council in April or May, and then at an EU summit on 18-19 June. The draft text on migration and mobility, talking of 'well-managed, regular and safe migration' and 'opportunities for legal migration' in exchange for improved 'co-operation on reform, re-admission and sustainable reintegration' will be opposed by some EU member states.

The strategy focuses on ways to increase trade, business opportunities and investment. But it offers little new

on trade policy beyond a reference to 'regional and continental economic integration' by supporting the African Continental Free Trade Area (AfCFTA), which starts up in June.

African diplomats are underwhelmed by the EU's strategy of 'partnership' – a buzzword of the new team of President **Ursula von der Leyen**. 'There should be partnership without being told what to do,' says one African ambassador in Brussels.

Britain, India, Turkey, Russia and France have hosted or are holding Africa-focused investment conferences in 2020, while the **United States** has also begun fleshing out its new trade and investment offer to the continent. Meanwhile, some African diplomats say funding from the EIP and the Luxembourg-based European Investment Bank are hard to access and heavy on conditions, making **China** a more attractive lender.

RHETORIC SHIFT

Much of the rhetoric from the von der Leyen Commission has been about partnerships (AC Vol 60 No 24). But there has been a sense among African leaders that they were being dictated to by Brussels.

The change of rhetoric is meant to be significant – the von der Leyen executive scrapped the post of Development Commissioner, making **Finland's**

TRADE TALKS COULD DERAIL IT ALL

The European Commission's 'blue-sky' thinking risks being overshadowed by slow progress of talks to replace the Cotonou Agreement, which covers trade and political relations between the EU and the African, Caribbean and Pacific Group of States (ACP).

After failing to reach a consensus on the structure of future relations, on 17 February **Jutta Urpilainen**, the EU International Partnerships Commissioner, and **Robert Dussey**, Togo's Minister of Foreign Affairs and chief negotiator for the ACP, confirmed that the Cotonou pact would be extended to the end of 2020.

The extension came as no surprise. By last May, negotiators were briefing that the March deadline, when Cotonou was due to expire, would not be met (AC Vol 60 No 10). But Brussels wants to strike a deal quickly. Representatives of Urpilainen say the talks need to be concluded by April, leaving a six-month window for the new treaty to be legally drawn up and signed by the end of November followed by a speedy ratification process.

The Commission worries another extension would push the EU-ACP dialogue process dangerously close to collapse. The EU fears that repeated extensions would risk a repeat of its ill-fated Economic Partnership Agreements with African regional blocs, only one of which (with the Southern African Development Community) entered into force. It also wants to ensure that the post-Cotonou process does not derail the EU-African Union (AU) summit in October.

But many EU member states are dubious about the new Commission timetable. Negotiators have barely touched the issues of migration return, re-admission or legal pathways, one of the thorniest topics, along with the question of the restitution of cultural goods. Insiders warn that the only way to secure a deal will be if they stick to the old text.

The African side remains divided on the goals. Some countries are comfortable with the status quo and others, like the AU's chief negotiator on post-Cotonou, **Carlos Lopes**, want an ambitious continent-to-continent political and trade relationship with the EU that cuts out the ACP. Lopes has been a polarising figure throughout the talks and is regarded with suspicion by both the Commission and ACP officials, we hear.

The post-Cotonou framework is also complicated by the delay in agreeing on the EU's next seven-year budget. A two-day EU leaders' summit collapsed last month with member states no closer to a deal, as the EU seeks to plug the budget loss of more-than €10 billion per year for 2021-27 due to the **United Kingdom's** departure (AC Vol 60 No 23). Funding for sub-Saharan Africa faces cuts that could affect the ACP's secretariat, which is financed by Brussels. ●

Jutta Urpilainen Commissioner for International Partnerships – but the Commission paper is currently little more than a road-map containing little substance on policy (AC Vol 60 No 19).

'If we are talking about real partnership then there needs to be negotiation,' says an EU-Africa expert. 'The EU needs to meet some of the African concerns – how ready is the EU

to compromise?'

The EU executive sent 10 commissioners to Addis Ababa for last week's meeting with their African Union counterparts, a sign of good will, the Commission hopes. 'We have come with proposals, but we want to hear from you, too,' said von der Leyen in the **Ethiopian** capital, adding that the consultation is 'a big step in taking our

partnership – a long-lasting partnership – to the next level'.

Meanwhile, the EU executive says that it has delivered the €44 billion in private-sector investment promised under the 2017-20 External Investment Plan launched by the **Jean-Claude Juncker** Commission, but it is unclear whether the new strategy will involve new investment institutions. ●

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POINTERS

Guinea

FORCED DELAY

■ Late on 28 February, President **Alpha Condé** made an unexpected appearance on national television, admitting he had been pressured into delaying the double poll he had called for 1 March. The legislative election is 30 months late, while the constitutional referendum he announced in his New Year address to the nation is a pet project that many assume will give him the ticket to run for a third term of office (AC Vol 61 No 2). Condé, 82, is going to Putinesque lengths to advertise his excellent physical condition: on 29 February he posted a video on social media that showed him working out in the presidential gym.

But it is not his health Guineans worry about. They are exasperated about the political games he keeps playing to prepare them for what they already reject: his third-term bid. And now the international community has joined the chorus, focusing on a bloated voters' register, which, as the *Organisation internationale pour la Francophonie* contends, contains 2.49 million entries it deems 'problematic'. On 24 February, the OIF announced it was ending its technical assistance mission to Guinea's national electoral commission over the issue but stopped short of calling it pre-election rigging (AC Vol 60 No 21).

Condé rarely yields to domestic pressure but the OIF move must have stung. And worse was to come. Having snubbed a delegation of four presidents from the Economic Community of West African States (including the Executive President, **Mahamadou Issoufou** of Niger) who were forced to cancel their mission at the last minute on 27 February, Condé looked uncharacteristically contrite when he made his televised announcement the next day. He indicated that it was with Ecowas in mind that he had decided to 'slightly delay' the 1 March exercise.

On 2 March, Ecowas and the African Union issued a joint statement calling for efforts to produce a credible voters' register and reiterating their readiness to help. The statement did not mention the (most likely) far less diplomatic language that prompted Condé to announce the polls' delay in the first place.

Nigeria

HYPREP'S MILLIONS

■ Confusion is growing about the mounting cost and sluggish progress of the UN-mandated clean-up of Ogoni, in Nigeria's oil-producing Niger Delta

(AC Vol 60 No 18). Called the biggest environmental remediation project in the world by experts, it appeared that the two parallel governance boards of the projected US\$1 billion clean-up – the Governing Council and Board of Trustees – had declined to release \$170 million originally from oil companies that operate the SPDC Joint Venture in Ogoni. (SPDC/Shell owns a 30% stake, Nigeria's National Petroleum Corporation 55%, and the remainder is split between Total and Agip). According to Shell, this is the first of five tranches of funding of the same amount, to run to 2022. The holdup was apparently due to BoT questions about how an initial \$10m 'take-off fund' – provided by Shell to restart the troubled Hydrocarbon Pollution Remediation Project – had been spent (AC Vol 60 No 14).

The most recent status update on HYPREP's website from late July states that some of the work is being done as a 'demonstration exercise... at NO cost' to the Nigerian government. Site-by-site documentation on the HYPREP website says the reason for delay at seven of 21 sites is a lack of funds. This appears inconsistent with the release of \$43m to HYPREP. It also contradicts its spokesperson **Marvin Dekil's** reported statements that 'money was not the challenge' in implementing the operation (AC Vol 60 No 14).

Guinea-Bissau

THEY'RE BACK

■ The surprise victory of **Úmaro Sissoco Embaló** in the second round of the presidential election has failed to end the country's political turbulence (AC Vol 60 No 24). The losing candidate, **Domingos Simões Pereira**, took his case to the Supreme Court, which acknowledged that the irregularities he claimed could have some merit and ordered a recount.

This standoff continued for two months with the National Electoral Commission, which had declared Embaló the winner on 1 January, extremely reluctant to follow the Supreme Court's orders. At the end of February, Pereira reiterated his claim, demanding the recount by the NEC start.

Matters came to a head on 26 February when Embaló announced his investiture, not in the national *Assembleia Nacional* building as the law requires but at Bissau's Azalai Hotel. Present for the occasion were Embaló friends: now former President **José Mário Vaz**, **Nuno Gomes Nabiam**, armed forces Chief of Staff **Biague Na N'Tam**, a key ally of Vaz, who once famously announced that as long as he was in his post there would be no coup, and former army Chief of Staff, **Antonio Indjai**, the

brains behind the last coup in Bissau in May 2012. (AC Vol 57 No 12).

But the government of Prime Minister **Aristides Gomes** called proceedings a coup and lamented the attitude of the Presidential Guard, which had secured the hotel and was prominently in view throughout Embaló's swearing-in ceremony. In a counter-move, the *Assembleia Nacional* declared a vacancy in the presidency and appointed the Speaker, **Cipriano Cassamá** interim president, as the constitution prescribes.

On 29 February, Embaló appointed Nabiam as Prime Minister, effectively firing Gomes. That same day, soldiers moved in to occupy key government ministries, the *Assembleia Nacional* and, significantly, the Supreme Court. Citing threats to his personal safety, Cassamá stepped down and Gomes reported that armed men had gone to his house, taken away his government vehicles and threatened to imprison him. Soldiers are reported to patrol the streets, completing the picture of a full-blown coup.

Ethiopia/Egypt/United States

THAT DAM PROBLEM

■ The tortuous negotiations between Addis Ababa and Cairo over the building and filling of the Grand Ethiopian Renaissance Dam have lurched into an acrimonious finale. Ethiopia's Foreign Minister **Gedu Andargachew**, losing patience with what many of his compatriots consider to be Washington's biased mediation in the negotiations, described US Treasury Secretary **Steve Mnuchin's** call for work on the dam to be suspended as 'diplomatically incorrect'.

Other Ethiopian officials go further and question why Mnuchin, who has shown little interest in any other African issues, has become so embroiled in negotiations over the dam. US Secretary of State **Mike Pompeo**, who visited Addis Ababa last month, expressing optimism for a peaceful resolution of the dispute has played little role in the Egypt-Ethiopia negotiations in Washington DC.

The high profile given to the negotiations reflects the close ties between Presidents **Donald Trump** and Egypt's **Abdel Fattah el Sisi**. The *Washington Post* reported that Trump had referred to el Sisi as his 'favourite dictator'. On 4 March, Trump called el Sisi to assure him that the US would persist with its 'tireless efforts' to ensure Ethiopia and Egypt reach an agreement over the dam. This follows Ethiopia's absence from what was meant to be the last round of talks in Washington at the end of February. Addis Ababa says it will require more time for deliberations over an accord but that should not preclude continuing construction at the dam and filling its reservoir from the Nile waters.

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BLUE LINES

We are all democrats now, at least up to a point. That point has been reached in a raft of West and East African states where the regional economic groupings were meant to be upholding higher standards of accountability and governance. The Economic Community of West African States has nudged some autocrats and kleptocrats from power, and encouraged their successors to hold more credible elections.

As economic and security pressures mount, the regional groupings are abandoning that role. In Kampala, General Henry Tumukunde is in prison facing treason charges after threatening to stand for the presidency against his former boss, President Yoweri Museveni. In Guinea and Togo, the presidents are emulating Museveni's example of seeking multiple re-elections.

President Faure Gnassingbé of Togo won a fourth term after changing the constitution. On polling day, troops surrounded the house of Agbéyomé Kodjo, his main opponent.

In Guinea, Alpha Condé, 81, has postponed a referendum to change the constitution but few doubt he wants another term. And Egypt's President Abdel Fattah el Sisi distrusts Sudan's transition to democracy, especially the government's support of Ethiopia in its dispute with Egypt on the Blue Nile dam. For Sisi, who attended Cairo's military academy with Sudan's generals, plans by civilian ministers in Khartoum to unpick the army's hold on the national economy are unacceptable, setting a bad regional precedent.

AFRICA/CORONAVIRUS

Avoiding the nightmare

After the coronavirus shuts down Western economies, Africa's governments face stark health and financial choices

Despite the lower numbers of people infected by the coronavirus in the region, **Chikwe Ihekweazu**, head of the Nigeria Centre for Disease Control, warns of the need for rapid action now. Huge effort must go into stopping transmission of the coronavirus, or Covid-19, before it picks up speed.

He draws a comparison with conditions in **Italy**, where the virus quickly outpaced measures to control it. Ihekweazu, who helped lead **Nigeria's** successful efforts to control the spread of Ebola in 2014 by running an effective contact-tracing system, was on a mission last month by the World Health Organisation to Wuhan to shape strategy elsewhere.

Liberian doctor **James Moses Soka**, together with researchers **Julia Spencer** and **Peter Piot**, call on countries to 'strengthen their core capacities to prevent, detect and respond to outbreaks'. **Arkebe Oqubay**, senior advisor to **Ethiopia's** Prime Minister **Abiy Ahmed**, warns the effects of the coronavirus in Africa could be 'catastrophic'.

A big concern is the information gap. On available data, the rate of the spread of the virus in Africa is lagging well behind the rate in East Asia, the Middle East, Europe and North America. But many of the statistics are suspect.

Although the **Egyptian** authorities have reported fewer than 200 cases, **Isaac Bogoch**, a specialist in infectious diseases working with local professionals, wrote in the peer-reviewed *Lancet Infectious Diseases* journal that the numbers could be around 6,000, perhaps three times that amount.

Police in Cairo have arrested several people for disputing the official figures.

Other countries, such as **Ghana**, **Kenya**, **Nigeria** and **South Africa** have had a more open approach to information about the outbreak, quickly imposing pre-emptive restrictions on travel and mass gatherings. In many countries, schools, colleges, churches and mosques have been closed. Bars, restaurants and hotels are putting up their shutters and tourists from **China**, Europe and the **United States** are being barred.

STRETCHED

But the reality of life in the region's crowded cities complicates the imposition of a 'social distancing regime'. Public health systems are already stressed because of widespread cuts in public spending. That will stretch their capacity to test and provide quarantine facilities.

At least 40 African countries now have testing facilities, a sharp increase from January when only South Africa and **Senegal** were so equipped. Yet there will have to be a boost to import testing kits.

Nigeria, one of the better equipped countries, has 200 staff and five laboratories to run tests in a population of 200 million. That could be mitigated by the work of **Nnaemeka Ndodo**, a bioengineer who is developing a new test system to produce results within ten minutes at a cost of a dollar each. Working with **Britain's** Mologic and the Institut Pasteur research foundation, the new system could be on the market within three months and hugely boost the region's response.

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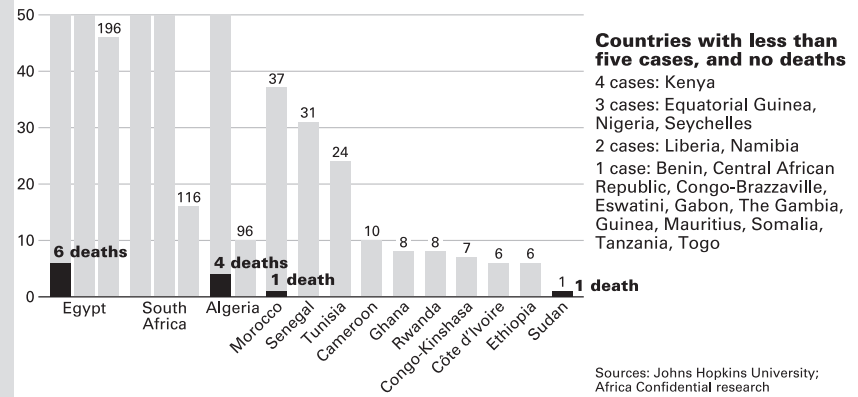
Like many other countries in the region, Nigeria battles with malaria and rampant yellow fever. It has just vaccinated hundreds of thousands of people in the Niger Delta against yellow fever. A fresh outbreak of lassa fever has killed over 130 people in the south-west and beyond. Ndodo has taken time from his work on other epidemics to focus on the new tests.

Containing all that and keeping the coronavirus at bay will take a massive infusion of resources. If Italy with 41 doctors per 10,000 people is desperately over-stretched, African states – where the best case is an average of two doctors for 10,000 in the cities – face an epic struggle if Covid-19 takes hold.

Lessons from the Ebola epidemic, such as the importance of community mobilisation and adapting measures to local conditions and cultural norms, are vital, says Arkebe. Countries will have to reorganise administrations, and do more than just put more people and money in health ministries. Governments will have to set up task forces to streamline decision-making and mobilise resources.

CORONAVIRUS / COVID-19 CASES IN AFRICA

Confirmed as at 18 March 2020, 07:56 GMT



Ethiopia, says Arkebe, set up a task force to organise facilities before any cases had been reported. Other countries are following suit.

The WHO in Geneva, whose Ethiopian director-general **Tedros Adhanom Ghebreyesus** has become the face of the international system's response, can extrapolate from infection patterns in Asia and Europe although differing climatic and social conditions limit the value of those models.

The UN's Economic Commission for Africa reckons the continent's average GDP growth rate will fall to 1.8% this year from 3.2%. That still looks optimistic. NKC African Economics expects South African exports to contract by 10% in 2020, compared to predictions in January of a 0.3% contraction.

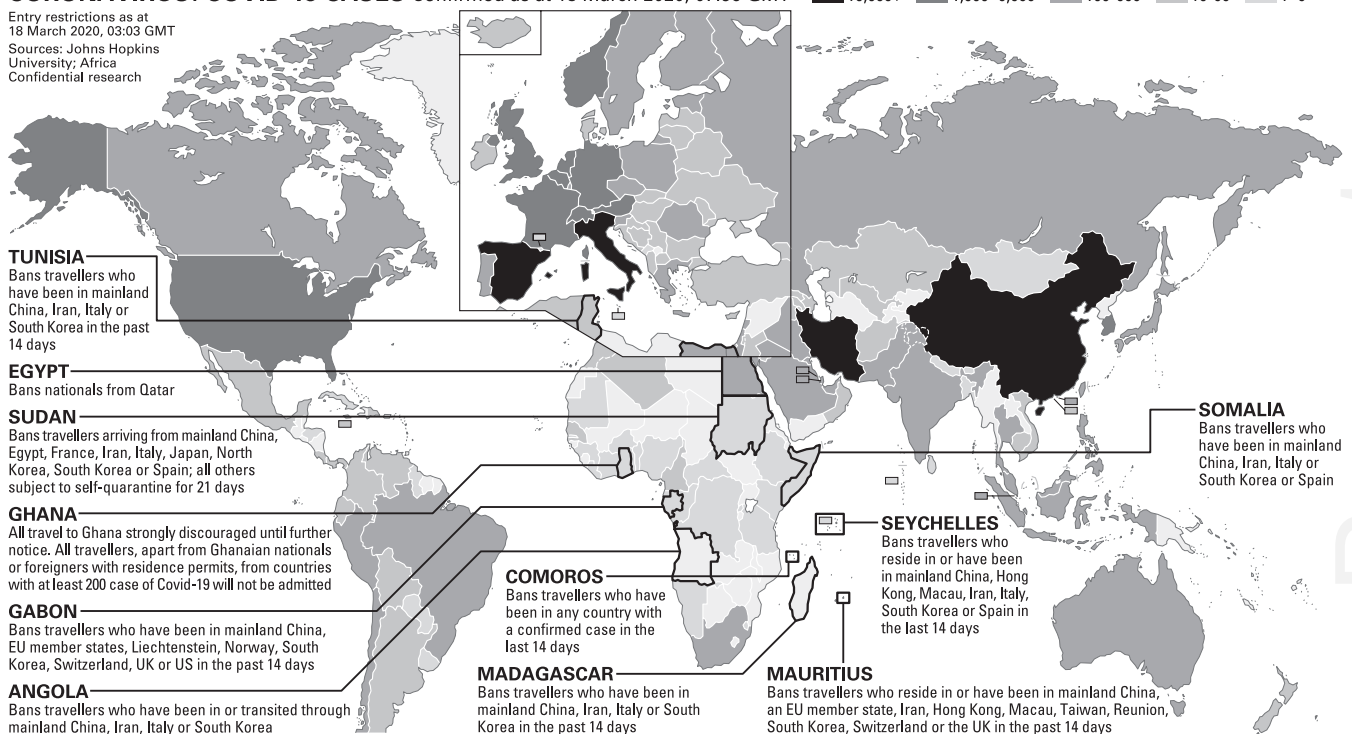
Unlike North America and Europe, few African countries can make tax

concessions and sharp cuts in interest rates to prop up failing businesses. The South African Reserve Bank was expected to cut rates to a five-year low of 5.75%. Ghana cut its rates on 18 March.

Currencies have also been hit – the South African rand and **Zambian kwacha** recording 5% and 3% losses against the dollar – which will deter governments from going to the bond market. Weaker currencies will raise the cost of servicing dollar debts, despite historically low interest rates.

China's fortunes will dictate the severity of the economic hit. Although it is expected to avoid recession, China's growth rate is forecast to fall to 4.5% from 6%. That means far less demand for Africa's raw materials and commodities.

The ECA reckons Nigeria could see a \$19 billion hit, largely from falling oil revenues. ●

CORONAVIRUS / COVID-19 CASES Confirmed as at 18 March 2020, 07:56 GMTEntry restrictions as at 18 March 2020, 03:03 GMT
Sources: Johns Hopkins University; Africa Confidential research

SOUTH AFRICA

Ramaphosa's next test

The pandemic could not have come at a worse time for an ailing economy already stressed to the limit

The collapse of the global financial markets, the tanking oil price, and the threat of a major global economic recession have radically altered the backdrop to South Africa's economic woes which were heading for a deep and protracted recession even before the Covid-19 pandemic.

But President **Cyril Ramaphosa** acted rapidly on 15 March with a comprehensive package of measures to pre-empt and contain the virus which won him immediate praise in political and diplomatic circles.

While the Covid-19 pandemic will put even more pressure on the ailing South African economy – plagued by frequent power cuts, spiralling unemployment and a deepening debt trap due to corrupt and mismanaged state-owned enterprises – Ramaphosa's response could boost his authority and hitherto tenuous hold on power.

His announcement was backed up the following morning by a co-ordinated briefing by almost 20 cabinet Ministers chaired by Minister in the Presidency **Jackson Mthembu** and led by Health Minister **Zweli Mkhize**. On the same day, government, labour and business assembled under the banner of the National Economic Development and Labour Council (Nedlac) to discuss the details of the plan as it affects workers and business.

Ironically, slowed economic growth would alleviate pressure on Eskom, the ailing electricity utility and buy time to eliminate the maintenance backlog and leap-frog political resistance to energy reforms enabling independent power producers, empowering municipalities to procure their own power, accelerating renewable energy and allowing mining companies to produce their own power (AC Vol 60 No 24).

DISASTER

Ramaphosa declared a 'national disaster' and set up a National Command Centre which will meet three times a week with him in the chair to manage the emergency response.

He announced that all schools would close on 18 March until after the Easter holidays, domestic travel would be discouraged, gatherings of more than 100 banned, physical contact minimised and all foreign travel for

government employees would cease.

Funding would be available to reinforce the measures taken as well as relief for households and small businesses. The private sector would partner with the state in setting up testing and tracking facilities throughout the country. The crisis has bought Mkhize, a medical doctor who was once touted as a compromise candidate for the Presidency, to the fore.

Home Affairs Minister **Aaron Motsoaledi** said all **Britons** would need visas to visit South Africa. He added that a plan would be made to allow people from affected countries to return home but did not elaborate.

All inbound flights from the United Kingdom, **United States, France, Italy, Spain, Germany, South Korea and China** have been suspended until further notice. Returning South Africans and travellers from less affected countries will face intensive testing and 21-day quarantine periods if they test positive.

One of the only positive aspects of the crisis is the improvement in views of Ramaphosa's skills. 'This is the kind of leadership that we have been craving to see from President Ramaphosa ever since he assumed office two years ago,' said a business facilitator of interactions with government.

But Ramaphosa faces a formidable job in turning the economy around while at the same time funding a massive programme to contain the virus and ensure quality treatment for those infected.

All eyes were on Finance Minister **Tito Mboweni** following his hard-talking budget last month to see how government would finance such a far-reaching plan (AC Vol 61 No 5).

'Our main priority is to ensure that our economy does not grind to a halt,' said Mboweni. 'If the economy grinds to a halt then so do taxes and that means that we will not be able to fund the programme,' he said.

Economists said that in spite of the drain on public finances of the ailing state-owned enterprises (SOEs), Mboweni has some room to manoeuvre: there is provision for a 5 billion rand (\$306 million) health contingency reserve in the budget and the National Treasury can allocate up to R35bn (\$2.15bn) – which represents 2% of total

expenditure – as a special purpose fund subject to appropriation legislation.

State-owned financial enterprises, such as the Public Investment Corporation (PIC), which manages R1 trillion (\$61bn) worth of government employees' pensions, the Industrial Development Corporation (IDC) with reserves of R160bn (\$9.8bn) and the Development Bank of Southern Africa (DBSA) with R90bn (\$5.5bn) on its balance sheet, are already heavily involved in bailing out the SOEs.

Mboweni said that for the South African Reserve Bank, cutting interest rates was not a solution and said such decisions should be left to him and the central bank governor, **Lesetja Kganyago**. He said he did not plan to force banks or insurers to depart from their terms but would 'hold conversations' with them.

BANK LOANS

Government is likely to lean heavily on commercial banks for loans, analysts said. But the banks are also under pressure due to the stressed economy. All four major commercial banks saw their profits fall last year and three of the four saw their operations in other African states rise albeit from a lower base.

The President had delayed the announcement several times to allow for extensive consultation with a wide range of institutions, schools, universities, tourism authorities, parliament and various government departments.

Africa Confidential understands that one of the reasons for the delay in the announcement was that Ramaphosa's arch rival, African National Congress Secretary-General **Ace Magashule**, was threatening to hold his own press conference at party headquarters immediately following the President's announcement but was stopped by senior officials loyal to Ramaphosa (AC Vol 61 No 4).

Magashule, who has repeatedly affirmed his loyalty to former president **Jacob Zuma**, is in the sights of an influential civil society group planning a campaign to publicly identify and embarrass senior officials who have been identified as corrupt Zuma loyalists and thus put pressure on the National Directorate of Public Prosecutions to bring charges against them.

Ramaphosa is under intense pressure on three fronts. The trade unions are up in arms about plans for drastic cuts in state sector pay. The business community has lost patience with the lack of prosecutions of corrupt officials and economic reforms to rescue a sinking economy.

And the rent-seekers loyal to Zuma have been finding common cause with some Ramaphosa supporters – such

as powerful ANC chair and Energy Minister **Gwede Mantashe** – who resent the proposed cuts and the prospect of

incremental privatisation of failed state-owned enterprises such as Eskom and South African Airways. ●

KENYA

The fight for Jubilee

Open warfare between factions loyal to the President and his Deputy have taken the governing party to the brink of collapse

The death and funeral of ex-President **Daniel arap Moi** last month may have united political leaders in an outbreak of praise, but the bitter struggle for control of the governing Jubilee party was only briefly put on hold.

Communications between President **Uhuru Kenyatta** and his Deputy **William Ruto** have been close to total breakdown for some months, and relations are hardly likely to be improved by threats of impeachment against Ruto.

In January, Ruto was locked out of his official residence in Mombasa on the orders of the President. The pair held several lengthy meetings at State House in February in an attempt to break the ice, following a long period of silence.

Ruto's allies have also been under attack. Agriculture Cabinet Secretary **Mwangi Kiunjuri** – thought to be a possible Ruto running-mate in 2022 and a vocal critic of the Building Bridges Initiative (BBI) – was the main victim in a government reshuffle in January.

Meanwhile, several Ruto-allied Senators, including Kiambu county Governor **Ferdinand Waititu**, have faced impeachment charges for gross misconduct and abuse of office.

PARTY MACHINE

Ruto is anxious to shore up his position as Kenyatta's likely successor by wresting control of the Jubilee party machine from Kenyatta's allies (AC Vol 61 No 1). The majority of the parliamentary party is already loyal to Ruto, the product of assiduous organising in the months leading up to the 2017 general election and after the famous 'handshake' between Kenyatta and erstwhile opposition leader **Raila Odinga** (AC Vol 59 No 6).

Jubilee, meanwhile, has long been in stasis. The parliamentary party has not caucused since the 2018 'handshake', and internal elections for the party machine led by Jubilee Secretary-General and Cabinet Secretary without Portfolio, **Raphael Tuju**, a Kenyatta loyalist, are now legally overdue.

Jubilee's constitution gives its officials a three-year term. With the exception of Tuju, who was appointed as Secretary General in March 2017, and whose term should last legally for a few more days, all the other interim officials have been in place since November 2016.

Following the State House talks between Kenyatta and Ruto, Tuju was tasked with convening a Jubilee Party meeting. That was initially slated for 7 and then 14 February, only to be put on hold by President Moi's death. Tuju then suffered life-threatening injuries in a car crash that left several dead on the way to the ex-President's funeral on 12 February, only returning to Kenya in early March following extensive medical treatment in the **United Kingdom**. That has emboldened the pro-Ruto Tanga Tanga faction as Jubilee Deputy Secretary-General **Caleb Kositany**, a Ruto ally, deputised while Tuju recovered from his injuries. The faction had been applying pressure for the elections to be held and is planning to field a slate to oust Tuju and, potentially, Kenyatta himself from their leadership positions.

But a 'stop Ruto' campaign has long been in place and now appears to be moving into a higher gear. The pro-Kenyatta Kieleweke wing wants the President to hand-pick new officials, and the Registrar of Political parties has shown no sign of forcing the party to stick to the rules.

Ruto has also been badly damaged by links between his office and a new graft scandal and the mysterious death of the Deputy President's bodyguard, Sergeant **Kipyegon Kenei**. Kenei was to have been a key witness in the scandal involving former Sports Cabinet Secretary **Rashid Echesa**, who is alleged to have used the Deputy President's office to issue a fake 39 billion shilling (US\$385 million) arms contract. Ruto insists that any attempts to link him to the cases are a smear.

Meanwhile, on 11 March, around 70 MPs from Jubilee and the opposition parties gathered at the plush Serena

Hotel in Nairobi to call on Ruto to resign. Senate Minority Leader **James Orendo**, a member of Odinga's Orange Democratic Movement (ODM), says that he will sponsor an impeachment motion against Ruto before the end of March.

The numbers in the National Assembly suggest that any impeachment attempt is certain to fail. At least one third of all MPs – 115 – need to endorse the motion before it can be tabled. The organisers of the Serena statement claim to have 165 votes but, even in the unlikely case that this is accurate, it would still be well short of the two-thirds majority of 234 required to carry the motion to the Senate. Even so, by reaching the floor of the assembly it would reinforce the perception that Ruto is too divisive to be the Jubilee nominee.

MODERATED

Insiders have noted that Ruto began to tone down his politicking earlier this year, particularly his public rallies in Kenyatta's Mount Kenya Kikuyu fiefdom, which Ruto needs for the succession. That suggests that his public confidence in being Jubilee's heir apparent is no longer as unshakeable as it was.

In public, Ruto continues to play down any serious internal party rift within Jubilee insisting that the party would survive. 'Jubilee is solid. Let no one tell you any other story. Uhuru and I are like a car and battery. We will never separate,' Ruto said at a fundraiser in Nyeri in February.

Moi's death, and the cross-party praise for both the man and his legacy – which left millions of Kenyans who remembered the economic stagnation and political oppression highly bemused – also offered the perfect pulpit for the remnants of his Kenya African National Union (KANU) party, to re-stake their claim to the Kalenjin vote in Rift Valley. Moi's son, Baringo Senator **Gideon Moi**, who continues to contest Ruto's status as the Kalenjin kingpin has described a Kenyatta-Odinga political pact as 'a sure bet'.

It's still unclear what such a pact would actually look like. **David Murathe**, who last year resigned as Jubilee Vice-Chair but now says that his resignation was not accepted, has floated the idea, which could be covered by the BBI process, of Kenyatta becoming an executive prime minister with Odinga as a titular president after 2022.

Kenyatta himself has sought to stay above the fray although he has rowed back on the tacit promise that he would

endorse his deputy in 2022. 'They think because Uhuru is going home in 2022, he will not have a word on what will happen. I am telling them I will have something to say when the right time comes,' he said.

'CROCODILES'

Meru Governor **Kiraitu Murungi** told a BBI rally that President Kenyatta had asked him to tell Mount Kenya that the 'crocodiles which had hindered Mr Odinga from leading Kenyans to Canaan in 2017 were now on his side', which suggests that Raila's former enemies are now ready to support him.

Yet it is still hard to see how a

Kenyatta-Odinga electoral pact could avoid the collapse of Jubilee, and for Kenyatta, keeping Jubilee together is vital to the delivery of his Big Four agenda in the last 30 months of his presidency. Nor is there an obvious compromise candidate. Interior Cabinet Secretary **Fred Matiang'i**, who has enjoyed rapid and high-profile promotions under Kenyatta, has been touted by Murathe and others as a potential candidate (AC Vol 60 No 24). 'He [Matiang'i] is honest and has no integrity issues,' said Murathe in another thinly veiled swipe at Ruto.

However, few believe that Matiang'i, who has a reputation as a technocrat,

has either the charisma or the political base to mount a serious challenge, and Matiang'i himself has played down any such suggestions.

Ruto's pitch for several years has been that the son of a pauper should ascend to power instead of any of the scions of political founding fathers. He remains the front-runner and will hope to ride out the storm, quietly appointing his legal adviser, **Korir Sing'oei**, to manage overall strategy and assemble a lean team of advisers to spearhead his 2022 campaign preparations. But the storm clouds are gathering over him, and there is no sign that they will clear any time soon. ●

NIGERIA

The Emir exits

Sacked after clashing with Kano's governor, Lamido Sanusi may be heading for an overt political role

For the second time in as many decades, **Sanusi Lamido Sanusi** has been pushed out of a top institution, with opinion divided over his future. Again, he will stoke political turmoil in his wake.

After the governor of Kano State, **Abdullahi Umar Ganduje**, peremptorily dethroned Sanusi as Emir of Kano on 9 March without following any semblance of due process, popular opinion quickly lined up behind the sacked monarch.

Elite opinion is another matter. The deafening silence from the presidency in Abuja was taken by some as an implicit endorsement of Ganduje's move.

On footage circulating on social media, Ganduje was caught accepting hundreds of thousands of naira from a local contractor ahead of the 2019 election. Despite this mockery of the government's anti-corruption claims, Ganduje won President **Muhammadu Buhari's** endorsement.

With the patronage that comes from running the second most populous state in the country, Ganduje has become a powerful figure in the ruling All Progressives' Congress (APC). Yet Ganduje only narrowly clung on to the governorship of Kano last year by less than 9,000 votes – a disputed result that his opponents took to the Supreme Court (AC Vol 60 No 6).

Sanusi was caught in that battle for Kano state, where the opposition People's Democratic Party had been gaining ground. One of West Africa's biggest commercial centres, Kano is a bellwether for the north but also has a

radical tradition of trade unionists and politicians such as **Aminu Kano**.

It also holds together the hierarchy. The Emir of Kano and leader of the Tijaniya Sufi order is the second most senior Islamic position after the Sultan of Sokoto, the leader of the Qadiriya Sufi order. Through the Sufi tradition, the Emir and Sultan developed strong links with religious leaders in **Morocco** and **Senegal**.

SANUSI'S RISE

One of northern Nigeria's leading intellectuals and reformers, Sanusi navigated between those centres of traditional power, into which he was born, and heavyweight financial institutions (AC Vol 55 No 13).

Just after becoming the first northern chief executive of the Lagos-based First Bank in 2009, Sanusi was appointed governor of the central bank by the ailing **Umaru Musa Yar'Adua** (AC Vol 50 No 14). He was catapulted to national prominence when he launched a radical restructuring of the banks, bringing six with the most parlous finances under government control. Later, two of the banks' managing directors were prosecuted for fraud.

It was the leaking of a letter from Sanusi to President **Goodluck Jonathan** in 2014 stating that some US\$50 billion of oil receipts were missing from the federation accounts that undermined the Jonathan government's credibility beyond redemption. Instead of addressing the matter, Jonathan established a self-serving investigating

panel and suspended Sanusi (AC Vol 55 No 1).

Despite some amateurish attempts to pressure him, Sanusi refused to withdraw his charges of grand corruption. A year later, Jonathan lost the election by four million votes to Buhari. By then Sanusi had become Emir of Kano, backed by **Rabiu Kwankwaso**, then the outgoing governor of the state and an erstwhile contender for the presidency, who lost his Senate seat last year (AC Vol 60 No 5).

Kwankwaso's support for Sanusi irked many of the courtiers and kingmakers who felt their views on the succession had been ignored. Even as governor of the central bank, Sanusi had made clear his monarchical ambitions to his confidants.

Emir Sanusi and Ganduje, who won his first term as the state governor in 2015, were at odds from the start. There were precedents for the clash of traditional and political authority. Sanusi's grandfather **Muhammadu Sanusi I** was the eleventh Emir of Kano for a decade until 1963, when he was dethroned and banished by his cousin **Ahmadu Bello**, the premier of the northern region.

Fearing popular mobilisation after the dethroning of the Emir, Ganduje ordered state security to escort Sanusi to Awe, a village in neighbouring Nasarawa state, where he was held under house arrest. On 13 March, the Abuja High Court ordered Sanusi's release in response to a petition from a 31-strong legal team.

The new emir appointed by Ganduje, **Aminu Bayero**, is a younger brother of Sanusi's main rival for the throne in 2014. Tussling for the throne is a family matter. Bayero and his elder brother are the sons of Ado Bayero, Sanusi's immediate predecessor as Emir and his great uncle.

The new Emir is less forthright than Sanusi and will have less power. After

his re-election last year, Ganduje broke up the Kano emirate into five smaller kingdoms, weakening the power of the palace, which dates back some 700 years.

It smacked of retribution. Ganduje suspected that Sanusi was working quietly with former governor Kwankwaso to support the opposition candidate for the Kano governorship, **Abba Kabiru Yusuf**, splitting the state's political class down the middle.

That clash was accentuated by Sanusi's speeches blaming the Northern elite for the region's poor educational performance, compared to the south, and its deepening poverty and security crises. He berated the poorly financed *almajiri* (the local Islamic educational system) for low literacy and technical skills.

An advocate of education for girls, Sanusi sent his daughter to deliver his speech at an important function to make his point, stirring further resentment among the most conservative parts of the northern elite.

The views of Buhari, who was

once held up as an anti-establishment politician in the north, are unclear. But he is said to have resented Emir Sanusi's public criticism of the government's economic policy.

Activists echo many of Sanusi's attacks on the elite and vested interests but also lambast some of Sanusi's excesses such as his marriage to an 18-year-old student just after he assumed the throne, as well as his advocacy of 'responsible polygamy'.

FRIEND IN KADUNA

Sanusi has received public backing from his friend, **Nasir el Rufai**, governor of neighbouring Kaduna state (AC Vol 61 No 3). Within days of Ganduje's move, Rufai appointed Sanusi as chancellor of Kaduna State university and as deputy chair of Kaduna's investment agency.

He also drove to Awe where Sanusi had been exiled. Apart from a public snub to Ganduje, Rufai's gesture invited speculation about a political alliance with Sanusi ahead of the 2023 elections. Outspoken and calling for

radical change, both men have a strong following among young Nigerians. They are two of the most popular northern figures in the south.

That might worry politicians such as **Bola Tinubu**, national leader of the APC, and its chairman **Adams Oshiomhole**, who are embroiled in a power struggle to control the party ahead of the elections (AC Vol 60 No 17).

Letters of support for Sanusi came from across the country, although southern politicians blame him for the ignominious end of Jonathan's presidency.

Former president **Olusegun Obasanjo** told Sanusi that his dethroning was 'sad because it is undeserved... [and] good because you have paid the price'.

Obasanjo, who fell out with Buhari in 2018 after publicly advising him not to stand for another term, retains an ability to identify strong contenders well ahead of elections. His support for Sanusi and El-Rufai will have been noticed in the corridors of power in Abuja. ●

SUDAN

The hit on Hamdok

The attempt on the Prime Minister's life underscores his vulnerability and puts the spotlight on his myriad foes

Whether the bomb attack on Prime Minister **Abdalla Hamdok's** convoy on 9 March was a serious bid to kill him or just a show of strength by backers of the former regime it has further destabilised the transition.

Although he was physically unharmed, Hamdok's political position is dire. He is caught between the tightening grip of the Sudan Armed Forces on the transition while his relations with the activists of the Forces for Freedom and Change (FFC) are fraying.

The military has centralised control over the myriad security and intelligence organisations set up under the rule of ousted President **Omer el Beshir**. Bringing the General Intelligence Security Directorate into the Interior Ministry, run by General **el Teraifi Idris Dafallah** concentrates more power in the hands of senior army officers.

On 17 March, the national prosecutor ordered the arrest of **Ali Karti**, former foreign minister and commander of state militias in southern Sudan. These purges, which involve committees probing the residual power of Islamists

and allies of Beshir in administrative structures, are being closely watched by the younger activists who led last year's revolution. Many say the military's role in the restructuring is self-serving.

They are wary of the growing power of the chairman of the ruling Sovereignty Council, Lieutenant General **Abdel Fattah Burhan** and **Mohammed Hamdan Dagalo 'Hemeti'**, leader of the Rapid Support Forces (RSF) militia, still an autonomous military force (AC Vol 60 No 14). Burhan and Hemeti have also taken control of the peace negotiations between the transitional government and opposition militias in Sudan's regions.

This should have enshrined the ceasefire agreements made by rebel militia in the wake of Beshir's ousting and allowed their leaders a role in the transitional government. Instead, the negotiations are dominating politics, while Hamdok's economic and political reform agenda is being sidelined.

Although the council of ministers, chaired by Hamdok, backs the purge of Beshir loyalists in the military, police and security services, it has little say on the targets or procedures. Progressives

are getting pushed out too. As in the peace negotiations, the military is taking the lead role.

Around 1,000 senior police officers with known Islamist affiliations have been retired along with 400 mid-ranking and 600 junior officers. The government has also taken over the assets of the now proscribed National Congress Party (NCP). Its supporters and sundry Islamist activists, some implanted in the 'Deep State' set up under Beshir, are fighting back, to return to the political frontline if economic and social conditions deteriorate.

'DEEP STATE'

These groups would have much to gain if Hamdok was pushed out but there are several other factions and interests under suspicion as investigations into the assassination attempt get under way. They include the following:

The Shaigiya security-business network: The security-business faction, dominated by leaders of the Shaigiya ethnic group, based along the Nile in northern Sudan such as **Ali Osman Mohammed Taha**, former Vice President, and General **Salah Abdullah 'Gosh'**, the sacked director of the National Intelligence and Security Services (NISS – renamed the GIS and now under the interior ministry) have been big losers under the transitional government (AC Vol 60 Nos 8 & 16). According to a senior state official, the Shaigiya group and its allies used state patronage to build up a business empire worth over Sudan £90 trillion

(US\$1.5 billion). Much of that would be at risk if Hamdok's administration could restructure state enterprises and reform the economy.

The Sudan Armed Forces: The military under the command of Lt Gen Burhan was never reconciled to sharing power with civilians under the government inaugurated on 21 August. Burhan has used his position as chairman of the ruling sovereignty council, for the first half of the agreed three-year transition, to take on more powers and marginalise the civilian-led council of ministers. We hear he has also retired or dismissed officers deemed supportive of the revolution or retained Islamist officers with whom he worked under the former regime.

His retirement of 79 mid-ranking and junior officers who had supported the revolution prompted street protests demanding their reinstatement. Some security sources say the attempted assassination of Hamdok was meant

to have caused chaos, giving Burhan pretext to seize total power and sack the current council of ministers. That would trigger the 'Egypt strategy' – a **Abdel Fattah el Sisi**-style takeover – according to activists in Khartoum.

The Rapid Support Forces: Like Burhan, 'Hemeti' wants to marginalise civilians in the transition and to stamp on moves towards accountability, which might block his own political ambitions.

Activists in Khartoum say Hamdok's convoy was attacked by rocket-propelled grenades, which are used by the RSF. They add the attack sent a message to him to abandon trials and investigations into rights abuses. The RSF's role in the violent break-up of the protest site on 3 June has been described in detail in several independent reports.

Blaming Hemeti for the assassination attempt suits other security and military interests: for them, getting rid of Hamdok and holding Hemeti responsible for the collapse of the

transition would be a good result.

After the attack on Hamdok, Egypt's intelligence chief **Abbas Kamel** met Burhan and Hemeti separately. President Sisi's government is irritated by Hamdok's support for **Ethiopia** in its dispute with Cairo over the Grand Renaissance dam (see other feature). Last week, Hemeti flew to Cairo for talks with officials. We hear that Egypt's military is uneasy about the Hamdok government's attempts to disband Sudan's state-financed military-industrial complex (some 450 companies) – because it would undercut Egyptian interests in the country and set an unwelcome precedent. **Saudi Arabia** and the **United Arab Emirates**, strong backers of Egypt, are said to have suspended their promised \$3bn aid to the transitional government, partly because of its aim of withdrawing Sudan's troops from Yemen, where they have played a frontline role in the fighting. ●

EGYPT/ETHIOPIA/SUDAN

Cairo and Addis split over dam

Ethiopia has pulled out of US-hosted talks on the Blue Nile project as bitterness and mistrust grow

Ethiopia is courting regional states and the African Union to bolster its diplomatic position after pulling out of **United States**-mediated talks on the filling and operations of the Grand Ethiopian Renaissance Dam (GERD). Addis Ababa feels isolated and angry that, as it sees it, the US is taking the side of Egypt. The US produced a 'final agreement' which Egypt initialled but Ethiopia and Sudan did not (AC Vol 61 No 5).

Ethiopia balked at measures designed to govern how fast the reservoir would be filled, as well as to mechanisms that would commit Ethiopia to release water from the dam in case of drought downstream, and other longer-term contingencies. Egypt is afraid for its hydropower, irrigation and public water supply while Ethiopia views attempts to influence its management of the dam as an unacceptable compromise of its sovereignty (AC Vol 60 No 22).

As talks broke up and diplomats on all sides travelled to recruit supporters, the International Crisis Group (ICG) published a paper on 16 March recommending an interim agreement governing the first two years of filling. The disputes mediation group suggests the reservoir should be filled just to test the dam's turbines while negotiations

continue on longer-term strategy.

Ethiopia has enlisted **Ugandan** President **Yoweri Museveni** to call for an urgent summit of riparian heads of state. Ethiopia decided not to attend the late February session of the talks in Washington also involving Sudan and Egypt.

The US Treasury, which like the World Bank was formally an observer, took the view that Ethiopia has undertaken not to fill the reservoir without an agreement, and that there is a pre-existing principle Ethiopia has agreed to that upstream countries should not cause 'significant harm' to downstream countries.

Ethiopia, however, angrily rejected this, arguing that the original agreements provide for it to begin filling in July, while construction continues.

Construction is over five years behind schedule and significantly over its original €3.4 billion (US\$3.8bn) budget. Ethiopia announced in December that it needed another \$1.2bn to complete the project (AC Vol 59 No 18).

Since the collapse of the Washington talks, the language on all sides has become acrimonious. Egypt sees the risk to its 'life blood' increasing as the dam nears completion while Ethiopia defends the GERD as a symbol of

national pride, which could play an important role in the national elections set for 29 August.

While disclosing US plans on 18 February for unspecified 'substantial financial support' for Abiy's government, US Secretary of State **Mike Pompeo** privately asked Abiy to accept the 'final agreement' after President **Donald Trump** asked the same, we hear.

MIXED SIGNALS

Ethiopia's diplomats and Abiy have received mixed signals from the US, according to sources privy to the conversations. It is Treasury Secretary **Steve Mnuchin's** department, not Pompeo's State Department that has been leading the process. Addis has also been puzzled by the role of the World Bank, which never had a role in financing the project. (The project was ineligible because the planning never involved downstream nations.)

The Ethiopians feel isolated. They feel under attack from Egypt and its allies and see the resolution by Arab League foreign ministers on 4 March as more of the same. The League said Ethiopia should not take any 'unilateral' action on the dam.

Sudan abstained from the Arab League resolution and says it was not consulted, to which Addis has responded positively.

Meanwhile, delegations criss-cross continents building support for their own position. Ethiopia has been particularly worried by the visit by Egypt's General Intelligence Directorate (*Mukhabarat*) boss Maj. Gen. **Abbas Kamel** to Juba to meet

President Salva Kiir.

Ethiopia even seems to fear armed action. Two days after Kamel went to Juba, Ethiopian Air Force commander Brig. Gen. **Yilma Mordesa** visited the GERD site and warned that Ethiopia was ready to defend itself against any military action. The same day,

Ethiopian National Defence Force's chief of operations Gen. **Berhanu Julu** met Sudan's Prime Minister **Abdalla Hamdok**. Abiy's ex-Foreign Minister **Workneh Gebeyehu**, who now heads the Intergovernmental Authority on Development, met Salva, ostensibly to talk about South Sudan's peace process.

Cairo matched Ethiopia's moves when Sudan's First Vice-President of the Transitional Sovereign Council Lt. Gen. **Mohammed Hamdan Dagalo** aka '**Hemeti**' flew to Cairo to meet President **Abdel Fattah el Sisi**. Dagalo promised to help resolve Egypt and Ethiopia's differences. ●

ETHIOPIA

New party, old tactics

The opposition is up against a still powerful security state while campaigning for the August elections

Many oppositionists believe the general election scheduled for 29 August has already veered from the fair, democratic process promised by Prime Minister **Abiy Ahmed** when he took office, especially in the largest federal state, Oromia, Abiy's home region (AC Vol 60 No 22).

Several zones in the south and west of Oromia have long been under a military-led 'command post' – part of the administrative structure of the State of Emergency from 2016 to 2017 – and so have been largely inaccessible to opposition parties. The Oromo Liberation Front (OLF) and others have been campaigning for Oromia's 178 seats in the federal House of People's Representatives nonetheless, but clearly alarmed the government in the process. After local opposition groups held mass rallies, strengthened by the presence of influential activists such as **Jawar Mohammed**, and moved towards forming an alliance, officials loyal to Abiy's new Prosperity Party (PP) started erecting obstacles in the manner of its predecessor, the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF). Jawar controls the highly influential Oromia Media Network (OMN – AC Vol 60 No 22).

PERVASIVE PRESENCE

The PP government has been cracking down on opposition rallies and meetings. Ethiopia's police, military and intelligence services remain ruthless and pervasive, despite Abiy's dismantling of the former security state, which was dominated by now-eclipsed Tigrayan networks. The donor-backed National Electoral Board of Ethiopia (NEBE) is already attracting criticism for alleged bias towards the ruling party. There is a potentially explosive mix of administrative vulnerability and political animosity.

The government is stepping up

arrests of members of the Oromo opposition, including five OLF Executive Committee members in late February, as well as supporters from across Oromia. The Oromo Federalist Congress (OFC), the party the young Jawar joined late last year after his return from exile in the **United States** in 2018, had a meeting banned in Adama on 1 March. Opposition parties often can't hire public venues and are being hindered from renting private ones. Meanwhile, PP agents are bribing or coercing Oromo to attend its own rallies, which suffer no restrictions.

Ezema, a liberal pan-Ethiopian grouping whose leader, **Berhanu Nega**, is seen as close to Abiy, said recently that it has proof the government has been forcing business-people to make contributions to the PP, which is also accused of using state funds for its own purposes.

There has also been outright repression. Security agents shot dead a man in a crowd which had gathered for an OLF office opening and injured three others in Boset Woreda, in Oromia's East Shewa Zone, on 17 February. A senior OLF official who was present described it as an assassination attempt. In an apparent effort to spread fear, security forces attacked residents of Burayu, just outside Addis Ababa, and the towns of Awaday in the East Shewa Zone and Bako in West Shewa Zone.

On 29 February, government troops swarmed into an apartment in Addis Ababa used by senior OLF officials and detained five of them, firing a shot. All were released later the same day except for **Abdi Regassa**, an Executive Committee member who returned to Ethiopia from exile in 2018.

Jawar's OMN and the Oromo News Network (ONN), which has OLF affiliations, are being blocked from moving around the region and its staff and five ONN journalists are in prison.

The pressure on democracy in Oromia is worse than in other regions, although the political space in Benishangul-Gumuz and parts of the Southern Nations such as Hadiya, Gedeo and Wolaita is narrowing. In Southern Nations, 11 zonal councils approved regional statehood demands last year and in November the Sidama Zone voted to become a regional state (AC Vol 60 No 24 & Vol 61 No 2).

DEMANDS

Abiy has done concerted campaigning in the region, which has 123 out of the 547 seats in the federal parliament, to win over an elite at odds with the PP's agenda. The wave of demands to form ethnic-based regions presents a problem for the PP, which likes to present itself as fostering national unity and retains a formal commitment to an ethno-federal system. The Southern elite and activists, however, believe they were exploited by successive governments and want autonomy rather than the PP project.

Public meetings in Amhara, the second-largest state (138 seats), and cities like Addis Ababa are not being halted routinely. There is more interference in the autonomous city of Dire Dawa, which is contested by Oromo, Somali and Amhara factions. The Tigray People's Liberation Front, which declined to join the PP, is doing its best to extend its power for the next five years in its home region, where it is the ruling party. Arena Tigray, an opposition group, complains that the TPLF is restricting opposition activity. The TPLF has a firm hold on the State Council and 38 federal seats regardless.

Part of the PP's problem is that it is not welcome in areas with a strong ethnic nationalist bent – such as Somali, Oromia and Tigray – which suspect it of moving Ethiopia back to a unitary system. Although this may be not entirely true, it is hard for the PP to counter, seeing that it merged ruling ethnic regional parties into a single organisation.

The PP is expected to poll better in more ethnically diverse urban areas, though it will face a challenge from opposition parties which focus on civic nationalism or defending citizens' rights in these multi-ethnic centres. There may also be openings for the PP in the

areas between regions, where ethnic groups overlap. People who have moved away from their home regions to settle in other parts of the country may also tilt towards the PP but the support could be insufficient to swing individual constituencies. Importantly, however, the opposition National Movement of Amhara (NaMA), which has just changed leaders, may not present a strong challenge to the PP in rural Amhara.

With the election less than six months away, the NEBE has been criticised for questioning Jawar's citizenship and not responding to opposition complaints of unfair treatment. Led by **Birtukan Mideksa**, a former opposition stalwart, NEBE has not completed the full set of

directives governing the electoral process (AC Vol 60 Nos 12 & 19). Recruitment for tens of thousands of staff is still outstanding, while voter registration is due to begin on 22 April.

PARTY BAR

Meeting all electoral board requirements by 12 March was an extra opposition challenge to add to government harassment. Parties have to provide a list of founding members, and established national parties had to submit information about any support they received from the government during the last election in 2015. Parties unable to meet these requirements will be barred from taking part in the election

unless the board extends its deadline.

According to the NEBE, no national party and only a handful of regional parties have met all the requirements of the new electoral law. By late February, 106 political parties had received certificates. Administrative strictures, coupled with the crackdown by security agents, could convince opposition supporters – particularly in Oromia – to cry foul against the PP and take the argument to the streets. It would be a repeat of the protests which made Abiy's rise to power possible, dragging Ethiopia into the twilight zone of another cycle of violence, rather than into the promised golden dawn of renewed democracy. ●

KENYA/SOMALIA

Frontier fracas

Conflict flares between Mogadishu and Nairobi over Jubaland. Kenya wants a buffer zone but Farmajo has other ideas

Months of tensions between Mogadishu and its southern state of Jubaland came to the boil in early March and spilled across the Kenyan border in a violent face-off between the Somali National Army (SNA) of President **Mohamed Abdullah Mohamed 'Farmajo'** and a militia loyal to Jubaland's fugitive security minister, **Abdirashid Hassan Abdinur Janan**, who is suspected to have taken refuge in Kenya.

Several days of cross-border shelling convulsed Mandera, where Janan was said to be hiding and where Kenya's border meets those of Somalia and Ethiopia. The fighting left at least one civilian dead, several injured and thousands fleeing the violence.

Kenya-Somalia relations have sunk to possibly their lowest ebb since the 'Shifta war' of the 1960s when Kenyan forces battled Somali secessionists in north-west Kenya. The attack appears to have been sabre-rattling by Mogadishu. It had been an open secret that Kenya had been harbouring Janan, who is a close ally of Jubaland supremo **Ahmed Madobe**, since late January. Janan is accused of war crimes, allegedly committed in the Gedo region of southern Somalia between 2014 and 2015.

Somalia did arrest Janan, but a passion for justice was perhaps not the only motive. He was detained at the end of August, a fortnight after Farmajo had refused to recognise Madobe's re-election as regional president of Jubaland and then sent Ethiopian troops to round

up Madobe and his lieutenants (AC Vol 60 No 18). Janan was arraigned in court in early October and placed under house arrest. While in transit to prison on 28 January, he managed to escape, board a boat and sail to Kismayo, whereupon Madobe's chief of staff tweeted that Janan was 'safely back home' – a kind of cockiness seemingly calculated to raise Farmajo's hackles.

Janan flew to Nairobi a few days later, ostensibly to seek medical treatment. Several appeals by Mogadishu's Deputy Foreign Minister, **Abdulkadir Ahmed-Kheir Abdi**, for his return went unheeded. Somalia issued an international warrant for Janan's arrest through Interpol, and even Amnesty International joined the fray, demanding his extradition to Mogadishu.

MILITIA

With demands for his arrest growing, Janan headed back to Somalia via Mandera. Across the border in Belet Hawo, the part of Mandera town that lies on the Somali side of the border, he gathered together a militia and re-crossed the border into Kenya. SNA forces spent February massing along the border in Belet Hawo. Janan and his men were under the protection of the Kenya Defence Forces (KDF) at the Kenya border police station for the month they were in Mandera. By early March, thousands of families had fled the bustling trading town, expecting violence. Moreover, 11 of Kenya's north-eastern region's 16 MPs, who

are predominantly Kenyan Somali, had received an invitation to meet Farmajo at Villa Somalia delivered, it is understood, through Mogadishu's National Intelligence and Security Agency (NISA) deputy director, **Fahad Yasin** (AC Vol 59 No 19).

Appeals to Nairobi to intervene appear to have been ignored; questions raised in Kenya's Parliament on the security situation at the Kenya-Somalia border went unanswered. On 28 February, the MPs flew to Mogadishu for a meeting with President Farmajo. On their return to Nairobi the following afternoon they were met on the runway by Anti-Terror Police Unit detectives and a barrage of media and TV crews.

The MPs were then detained for several hours at the airport, accused of having travelled to Mogadishu with neither parliamentary clearance nor foreign ministry approval. The Kenyan embassy in Mogadishu claimed to know nothing about the parliamentarians' visit to Villa Somalia and security officials suggested their actions amounted to treason.

At a media briefing at the airport, the MPs claimed they had gone to Villa Somalia to discuss 'security issues related to *Al Shabaab*' with Farmajo. However, we hear the MPs had also been given a two-week ultimatum by President **Uhuru Kenyatta** to resolve the region's security crisis and end the deadly terror attacks by *Al Shabaab*. That Kenyan forces, which have occupied southern Somalia for close to a decade fighting *Al Shabaab*, have been unable to prevent the attacks, appears to have been an irony lost on all concerned.

The fighting in Mandera began at mid-morning on 2 March, less than 24 hours after the MPs' return. For the next four days SNA troops in Bula Hawo shelled the opposing Jubaland forces protecting Janan. The Kenyan authorities maintained a studious

silence as police deserted the border post and the county commissioner took refuge at the police station where Janan was holed up, protected by KDF troops and the Jubaland forces. The shelling gradually stopped after the ministry of internal security issued a terse communiqué warning Mogadishu of the consequences of further provocation.

DE-ESCALATION

Efforts to de-escalate the tensions began with a phone call from Villa Somalia to State House, Nairobi, encouraged we hear, by the regional body, the Intergovernmental Authority on Development (IGAD). Soon after, the Kenyan Security Minister, **Fred Matiang'i**, was dispatched to Mogadishu with a message for Farmajo, followed by a brief stop in Addis Ababa where he met the Ethiopian Prime Minister, **Abiy Ahmed**. As the dust cleared in Mandera, it was discovered that Janan had managed to find his way back to Kismayo. While everything settled down, in reality nothing had been settled.

With general elections in Somalia scheduled for June 2020, something akin to a reverse proxy war appears to be being waged between President Farmajo and Madobe. Each has drawn in allies from the region. Ethiopia is on Farmajo's side while Kenya, with its long-held vision of a buffer zone in southern Somalia, has long had Madobe as its main client in Jubaland (AC Vol 52 No 22). The Mandera face-off suggests that

internal Somali politics now threaten to alter the region's security dynamic.

The Farmajo-Madobe rivalry spilled out in the open last August during the regional elections. Madobe's re-election was rejected by Mogadishu and still remains contested. An incident on the runway at the airport in Kismayo soon after the regional elections seemed to confirm the end of the decades-long Ethiopia-Kenya mutual defence pact. On 22 August, Farmajo dispatched a plane-load of Ethiopian commandos to arrest Madobe. The KDF responded by putting tanks on the runway to prevent their landing. It was the closest the region's two powerhouses had come to an armed conflict.

'Over the past two years, a certain suspicion has developed between Kenya and Ethiopia,' says former IGAD secretary-general, **Mahboub Maalim**. 'There's nothing structural responsible for it. My view is that the Foreign Service has been asleep. Younger officers do not fully understand some of the histories of our relationships. The challenge was therefore personality-based. And it needs to be revisited.'

Others see a much more fundamental re-alignment in the region's security dynamics triggered by Abiy's pivot away from the traditional enmity between Addis Ababa and Mogadishu to the current rapprochement with Farmajo. Pro-establishment analysts in Nairobi see this as 'a nightmare scenario'.

Diplomats and regional analysts see

some positives in the latest efforts to resolve the growing regional tensions. 'It's more a case of de-escalating the tensions than resolving the underlying issues,' says one.

Northern Kenya politicians, however, read things differently. 'We're backing Jubaland because of our maritime dispute with Mogadishu,' says former Deputy Speaker **Farah Maalim**. 'That's what it boils down to. We embraced Janan, who has been accused of the most heinous crimes. We protected him and hoped he would overrun the Somali forces in Bula Hawo. But it's really all about the oil in the disputed waters. That's what's at stake.'

MARITIME DISCORD

A ruling on the long-running maritime boundary dispute, now at the International Court of Justice (ICJ), will probably be made in June. Mogadishu's hostile stance plays into a pre-election whipping up of anti-Kenyan nationalist passions, which would favour Farmajo's re-election agenda.

'If it's about the maritime dispute, there's no positive outcome that can emerge from the ICJ ruling, whichever way it goes,' observes Mahboub. 'In the current state of play, there are no winners. If both states imagine that they can secure a ruling in their favour but not peacefully implement it, they are deluding themselves. Which investor will they attract for the [offshore] oil? The only solution is dialogue.' ●

CÔTE D'IVOIRE

Ouattara and son

The outgoing President has moved quickly to name his preferred heir, hoping to steal a march on his rivals and cement his legacy

The crucial first stage of the race to succeed President **Allassane Ouattara** ended quickly when Prime Minister **Amadou Gon Coulibaly** was hastily named as the candidate of the ruling *Rassemblement des houphouëtistes pour la démocratie et la paix* (RHDP) for October's presidential election.

Only a week after Ouattara's shock announcement that he would not seek another term, the party held a one-day 'political council' on 12 March to install the premier as its standard bearer. Other potential contenders did not get a look-in. Defence Minister **Hamed Bakayoko**, long seen as the most likely alternative, swallowed his pride and warmly defended the choice of Gon. But behind

the façade of unity there are cracks.

Foreign Minister **Marcel Amon-Tanoh**, a busy self-promoter over recent months, shunned the selection meeting. And higher education minister **Abdallah Albert Mabri Toikeusse**, having already launched his own bid for the candidacy early this year, made no effort to disguise his disgruntlement.

Gon must work hard to recover the goodwill of both men if he wants to rebuild the RHDP as a genuinely 'national' force with a broad reach. With his strong personal support in the west – where the party is otherwise weak – Mabri in particular is an ally the premier cannot afford to alienate.

The expeditious coronation of Gon as the RHDP's standard-bearer

was Ouattara's doing. Party secretary general **Adama Bictogo** is a loyalist of the prime minister but lacked the clout to swing the machine behind him. However, only the President had the personal authority to impose the selection of a dry technocrat, whose election-winning capabilities are doubted by insiders (AC Vol 61 No 1). Yet over the past two years Ouattara made it increasingly clear he saw Gon as his natural heir.

Gon has been a key lieutenant to Ouattara for three decades, loyal even as he was shut out of presidential races in 1995 and 2000 by the ethnically discriminatory *ivoirité* laws, and at his side in Abidjan's Golf hotel in 2010-11, barricaded by the forces of **Laurent Gbagbo** after the latter refused to acknowledge election defeat.

Once Ouattara secured power, he immediately brought Gon into the heart of government as secretary general of the presidency, before installing him as prime minister in 2017. 'His loyalty has never faltered. Amadou is more than a colleague, more than a brother; he is a son,' Ouattara said last week.

But today's political landscape is much more challenging than when Ouattara first began to prepare the ground for his succession. When former head of state **Henri Konan Bédié** pulled out of the RHDP alliance in mid-2018 Ouattara's best course of action became obscure; more so when the International Criminal Court acquitted Gbagbo of human rights crimes the following January (AC Vol 60 No 4).

Bédié was joined in opposition by most of his *Parti Démocratique de la Côte d'Ivoire* (PDCI), while Gbagbo's support base was reinvigorated by his acquittal and conditional release in Brussels to await a potential prosecution appeal. Then, the popular national assembly speaker, **Guillaume Soro**, resigned to launch his own presidential campaign and political movement. Suddenly the RHDP looked a lot less hegemonic.

No longer sure of a safe succession for Gon – whose wooden style is not suited to the campaign trail – Ouattara began to hedge his bets. Although still promoting the case for a new generation of political leaders, he insisted that constitutional changes made in 2016 would let him seek another term, signalling that if Bédié and Gbagbo ran again, he would feel obliged to do so too.

Yet he still kept the option of retirement on the table and promised to confirm his intentions by the end of this March. And then events began to shift back in favour of his original plan. The ICC chief prosecutor **Fatou Bensouda** appealed Gbagbo's acquittal

– which keeps him in Brussels until the case is heard, probably well after the election.

And the successful conclusion in December of Ouattara's deal to transform the CFA franc into an initial version of West Africa's planned eco currency promises a 'legacy' achievement that would allow the president to quit on a high note (AC Vol 61 No 4).

A first hint that the Ivorian leadership was firming up in favour of the Gon option came with the issue on 23 December of an arrest warrant for Soro, which should keep him safely in Europe and out of the race.

Yet Ouattara still kept them guessing until parliamentarians gathered to discuss other constitutional matters on 5 March. His announcement that he would not stand again was a *coup de théâtre* that prompted praise and relief from most regional neighbours and international partners.

The government's campaign pitch is already starting to emerge, with Gon stressing that even after retirement Ouattara would continue as a 'regulator' for the political system 'so that Côte d'Ivoire can continue in peace and stability'. Ouattara is seeking to present the RHDP and Gon as the home of stability and continuity. He aims to build up enough momentum for a first round victory for his 61-year-old heir over a fragmented opposition that is only slowly coalescing into an alliance set to be fronted by Bédié, who will be 86 by election day.

Bédié is determined to stand. 'Up to now, he is the one at the front of the stage,' says the political scientist **Sylvain N'Guessan**. 'Rallies, meetings with traditional rulers, sessions of the PDCI executive – it's always him; he almost never delegates.'

By emphasising his own age, a mere 78, as a reason for retiring, Ouattara scores yet another point against Bédié. Bédié's best reply to that would be a compromise to appoint a younger vice-president. (Under the latest constitutional changes, the president appoints a vice-president after taking office.) The former ministers **Thierry Tanoh** and **Jean-Louis Billon** are the names most often cited and the latter certainly seeks to present the PDCI as a 'team' (AC Vol 60 No 7).

An alternative challenge to Gon could come from another fresh face with heft, the recently resigned Crédit Suisse chief **Tidjane Thiam**, who is rumoured to be contemplating a presidential run.

A great nephew of Côte d'Ivoire's founding president, **Félix Houphouët-Boigny**, Thiam would have serious electoral appeal. He served for six years as head of the government's project development bureau and briefly as a minister, overseeing a wave of privatisations and launching key infrastructure schemes. Yet, having left Côte d'Ivoire after the 1999 coup, he is untainted by the rivalries and conflicts of the years that followed, another card which none of the other would-be presidents can play. ●

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POINTERS

Mauritania

ALL IS FORGIVEN

■ Nouakchott is abuzz with reports that ex-President **Maaouiya Ould Sid'Ahmed Taya**, deposed in a 2005 coup but now in poor health in exile in **Qatar**, may be on his way home (AC Vol 46 No 16). It could indicate an unprecedented liberalisation of the political scene by President **Mohamed Ould Cheikh el Ghazouani**. Taya's son **Ahmed** was spotted arriving at Nouakchott airport from **Spain** on 16 March.

The authoritarian Taya is remembered for expelling tens of thousands of black Afro-Mauritanian citizens to **Senegal** in 1989. Once allowed to trickle back, most found they had lost their property and civic rights. In spite of his gruesome reputation, the move could signal openings to the entire political spectrum. Ghazouani has been making overtures to the opposition and critics of President **Mohamed Ould Abdelaziz**, whom he succeeded in August (AC Vol 60 Nos 13 & 23).

On 10 March a private jet brought home the tycoon Mohamed Ould Bouamatou, after a decade away, and former senator Mohamed Ould Ghadda. The previous government had accused the businessman of funding Ghadda and other members of the upper house who had sought to probe Abdelaziz family affairs and resist a 2017 constitutional reform that abolished the chamber (AC Vol 59 No 17).

Also on the plane were the poet Mohamed Yahya Ould Mssaïdef, the journalist Babah Sidi Abdallah and members of their families.

Bouamatou is a cousin of Abdelaziz, whose 2009 presidential election campaign he largely financed before they fell out and the authorities began to pressure his business empire. His return to Nouakchott is a potent signal of the changed mood, although the authorities have told him to keep a low profile.

Libya

IN SEARCH OF AN ENVOY

■ The signs point to an African being appointed UN special envoy to Libya after the surprise resignation of **Lebanese Ghassan Salamé** on 2 March. On 10 March, the head of the Tripoli-based Government of National Accord (GNA), **Faiez Serraj**, met President **Cyril Ramaphosa**, this year's African Union chair, in Pretoria.

Ramaphosa wants an African to succeed Salamé and Washington is believed to agree. US ambassador to

Libya **Richard Norland** was also in **South Africa** and he met local officials and Serraj. Ramaphosa then flew to **Congo-Brazzaville** for the AU's High-Level Committee on Libya, which is headed by President **Denis Sassou-Nguesso**.

That meeting proposed a Libya 'reconciliation' conference in July in Addis Ababa to relaunch reconciliation efforts and develop a roadmap for peace. Neither side in the Libyan conflict has responded to the proposal, which is not new. The last time it came forward, in March last year, nothing happened.

Much as many, including UN Secretary General **António Guterres** reportedly, want an African to take charge, it is a huge, risky challenge. Former **Algerian** foreign minister and AU bigwig **Ramtane Lamamra's** name went into the hat quickly, but no Algerian would be acceptable to **Morocco** or **Egypt**, both of which have considerable clout in the pan-African body.

A South African is to be unlikely to be acceptable to Libyans, who well recall ex-President **Jacob Zuma's** warm relations with the 'Brother Colonel', as Zuma called **Moammar el Gadaffi**. Zuma was believed to have sent South African mercenaries to Libya to help spirit members of the dictator's family out of the country (AC Vol 52 No 22). Many Libyans believe Zuma also helped Gadaffi export his wealth (AC Vol 52 No 18).

Commonwealth/Africa

SCOTLAND UNDER SIEGE

■ In a last-ditch bid to remain secretary-general of the London-based Commonwealth Secretariat, **Dominica-born British** national Baroness **Patricia Scotland** of Asthal claims she is being unfairly treated because of her ethnicity. She says the fact that the four 'white Commonwealth' countries – **Australia, Canada, New Zealand** and the **UK** – have all suspended discretionary funding of the secretariat until alleged financial irregularities uncovered by an internal audit have been resolved.

Scotland faces a bitter fight to hold on to her £160,000-a-year job and is seeking to retain the backing of the 19 African states – the largest regional block of the 54 Commonwealth members – and the 12-strong Caribbean countries. While **Nigeria, Namibia** and **Zambia** back her, **South Africa, Botswana** and **Ghana** have refused to endorse a second four-year term. Her current term ends this month.

Scotland was a Labour government minister under **Tony Blair** and a moderate, but Conservative prime minister **Boris Johnson** is not a fan. He wrote to her in February asking if she intended to step down.

He is reportedly backing **Kenya's**

Amina Mohamed, a former foreign minister who was strongly tipped to chair the African Union but lost out to **Chad's Moussa Faki Mahamat** (AC Vol 57 No 16).

The main finding of an audit report leaked by Marlborough House insiders was that Scotland had circumvented normal tendering rules to back the award of a £250,000 contract to KYA Global to review how the organisation was run. The company, owned by Labour peer and close friend Lord **Kamlesh Patel** of Bradford, was apparently insolvent at the time. Scotland attracted heavy attacks in the UK press for expensively refurbishing her 18th century 'grace and favour' residence. She denies any wrongdoing.

African Union

TURF WAR OVER SAHEL

■ The announcement by African Union Peace and Security Commissioner **Smaïl Chergui** on 27 February that the AU would send 3,000 troops to join the regional and national forces fighting jihadists in the Sahel has prompted curiosity and confusion. AU heads of state debated sending troops at their 33rd annual summit on 9 February in Addis Ababa but failed to agree before Chergui spoke to the press.

So far, AU members are only considering asking the AU commission to 'develop a framework on a possible deployment' of '3000 troops for six months' in conjunction with the G5 Sahel regional grouping and the Economic Community of West African States, according to a draft motion seen by *Africa Confidential*. The motion also asks Ecowas to disburse US\$100 million it had pledged to support **Burkina Faso, Mali** and **Niger** in their struggle with the jihadists. AU diplomats are still working on the motion, we understand, and no action is possible until it is passed.

However, 'Chergui is trying to bounce the AU into firmer action on the Sahel,' said a source familiar with the summit debate. Chergui is still involved in a power struggle with AU chair **Moussa Faki Mahamat** which is little changed since *Africa Confidential* first reported it last year (AC Vol 60 No 3).

As the heads of state packed their bags on 11 February, the AU announced it had raised less than half the \$400m it wanted for its Peace Fund. Fund chief **Donald Kaberuka** said only \$164m had been raised. Member states disagree on the level of contributions they should make to it, we understand. The North African states, plus **Egypt**, want a flat rate, with each of the five sub-regions paying 20% each. Others want to use the method for calculating AU membership subscriptions, which are based on the size of national economies.

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16 PAGES OF
ANALYSIS OF THE PANDEMIC

BLUE LINES

In Europe, the coronavirus has brought the command economy back into fashion. Without similar financial resources, African governments will struggle to follow suit in subsidising businesses and wages and converting factories to make ventilators and protective equipment. But they have been quick to impose curfews and lockdowns – the other side of the response.

That means closing down political rallies and campaigning, which suits authoritarians. Some governments, like Ethiopia, have cited the pandemic as reason to postpone elections. Others, such as Guinea and Mali, have gone ahead with elections because low turnouts suit their political ends.

The economic damage and accompanying stimulus measures will drag on, as may measures to enforce social distancing. That could pose a new threat to political freedoms and the media.

At this stage, decisive action and transparency are being rewarded. South Africa's Cyril Ramaphosa and Ghana's Nana Addo Akufo-Addo have strengthened their positions. Meanwhile, Egypt's autocratic Abdel Fattah el Sisi, whose government has been widely accused of concealing the number of coronavirus cases, could become still more unpopular, as could Zambia's Edgar Lungu. He was derided for waiting until this week to give a national address on the pandemic. For some weeks, Tanzania's John Magufuli played down the crisis, suggesting that religious observance rather than medical science would be able to defeat the virus.

CORONAVIRUS

Third wave threatens continent

Lack of international consensus on the response to the virus multiplies risks to Africa's economies and healthcare

Top African and UN officials are desperately lobbying a divided international system for a US\$100 billion emergency fund to combat what they fear will be a third wave of the coronavirus pandemic ripping through Africa in mid-April, as it ravages Europe and North America.

At least \$44bn of the requested funds are in the form of a moratorium on interest payments on the continent's mounting debt, just under half of which is owed to bilateral creditors, with the rest split almost equally between multilateral institutions and commercial creditors.

A further \$10bn would be earmarked for emergency payments to shore up healthcare, with the remainder to boost trade and production when over half the continent's formal sector jobs are at risk, according to the UN's Economic Commission for Africa (ECA).

Failure at meetings of the UN Security Council and the Group of 20 (G-20) industrialised countries to agree a common response to the global health emergency means many African states will be stretched to their limits in the coming weeks. The Security Council, under the presidency of China this month, could not agree a resolution declaring the coronavirus pandemic a threat to international security as it had with Ebola in 2014. That would have triggered the forming of a high-level committee to coordinate international responses to the pandemic, but the China-United States split on the council stands in the way.

In previous public health emergencies, such committees have mobilised resources and expertise from agencies such as the World Health Organisation (WHO) and UN Office for the Coordination of Humanitarian Affairs (OCHA) together with the International Monetary Fund and World Bank, and the G-7 and G-20.

ORIGIN ROW

Beijing was infuriated by the US demand that a resolution should state the origin of the outbreak. A compromise resolution from Estonia was rejected by the Chinese, Russian and South African representatives because it included a requirement of 'full transparency' in reporting pandemic cases. That was interpreted by Beijing as implicit criticism of its early handling of the outbreak in Wuhan in January.

Instead of an international response to the pandemic, as in the 2008 global financial crisis, countries such as China and South Korea, some European countries and the US are sending staff, equipment and funding to Africa that overlaps, sometimes going to the wrong place, complicating the work of officials on the ground. And the amounts committed so far are a fraction of what is needed.

With some of the richest countries competing for equipment and expertise to fight the pandemic at home, there is little interest in coordinating a response in Africa and South Asia.

In Africa, with 5,431 cases confirmed on 31 March, (led by South Africa with 1,353 and Egypt with 710), the priority is to quickly disburse funding to buy

AFRICA ECONOMY 4 SOUTH AFRICA 5 GUINEA 7 MALAWI 8 CONGO-KISHASA 9

Into uncharted waters

Shutdowns, border closures and crashing prices may cause a cataclysm

Cyril's double crisis

The pandemic, coupled with a downgrade, has strengthened the President's hand for now

Condé goes it alone

The President gets the constitutional change he wants to enable a third and fourth term

Poll in a plague year

The President looked set to fall in the poll re-run, but all bets are off as rallies are banned

HOW THE PANDEMIC HITS AFRICA

11

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medical equipment and pay emergency doctors and healthcare workers as well as to keep national economies from imploding.

Although G-20 countries have committed some \$5 trillion to their own economic stimuli, they are resisting concessions to heavily-indebted poor countries (see box).

Part of the problem is the international perception that the pandemic is not yet a crisis in Africa. But the infection rates in South Africa, the continent's most industrialised economy, are tracking the pattern seen in **Italy** just before the cases started rising exponentially this month.

'There is a big likelihood of a recession,' **Bartholomew Armah**, head of macroeconomics and governance at the ECA, warned on the eve of a teleconference of African finance ministers on 25 March. The ECA has already revised its pan-African economic growth estimates down to 1.8% from 3.2% this year (AC Vol 61 No 6). This is conservative, says Armah,

having been made when confirmed cases were still low.

In its latest analysis, the ECA warns that African oil producers face losses of up to \$65bn, with export revenues falling to \$101bn this year. That will weigh heaviest on **Nigeria, Algeria and Angola**, where hydrocarbons account for over 90% of exports.

SHORT SUPPLIES

Africa's dependence on imported medical and pharmaceutical products raises concerns about security of supplies. Also, only 15 of the 54 countries in Africa are net food exporters, exposing the others to risks of supply disruption and escalating costs if there are shortages.

The acknowledgement of G-20 leaders on 26 March that 'consolidating Africa's health defense (sic) is a key for the resilience of global health' means little without a clear programme and implementing agency. Until now, most G-20 countries have denied adequate funding to the WHO and its regional organisations.

The ECA's request for a waiver on interest payments, \$44bn in 2020, and a possible extension of the waiver, would 'provide immediate fiscal space and liquidity to the governments', say ministers.

The IMF wants a quick agreement and its managing director **Kristalina Georgieva** is seeking approval from governments at its Spring meetings on 16-17 April, to be held via video-conferencing. But World Bank President

David Malpass, nominated by US President **Donald Trump** last year, favours tougher conditions on credits or debt moratoriums. Some G-20 members want the IMF and the World Bank to make the first move on debt relief. That will need more negotiations and could hold up funds.

As over 25 African countries bring in lockdowns and curfews, at least 30 million jobs are at risk, initially in the tourism and airline sectors. African ministers are looking for refinancing and guarantees that could restructure businesses in those sectors as well as debt waivers for firms in agriculture, pharmaceuticals, financial services and banks. They also want a liquidity line so that trade-dependent businesses can survive.

The G-20 meeting and European Council summits, both on 26 March, concluded without mention of an African economic stimulus.

LIKELY LENDERS

Obvious sources for Africa-focused financing, as well as the World Bank and IMF, include the European Central Bank (ECB), which has already announced a €750bn bond-buying programme, though that is focused on the eurozone, and the **Luxembourg**-based European Investment Bank, which has responsibility for directing the EU's investment in Africa. Of the two, insiders in Brussels say that the EIB is more likely. EIB directors want a stand-alone entity specialising in African investment.

HOW VULNERABLE ARE AFRICA'S TRADING NETWORKS TO A CRISIS?

THE INTERNATIONAL DIVISION OF LABOUR

World Health Organisation

One of the least well-funded of the UN agencies, the WHO, is in the forefront of the international response to the coronavirus pandemic. Director-General **Tedros Adhanom Ghebreyesus**, **Ethiopia's** former health minister, sent a research team to Wuhan, **China**, within days of being notified about the outbreak. It included **Nigeria's** Dr **Chikwe Ihekweazu**, who heads the Nigeria Centre for Disease Control. The WHO regional director for Africa, **Botswana's** Dr **Matshidiso Moeti**, joined Tedros in warning of the need to take pre-emptive action against the virus, given the region's weak healthcare systems.

Under Tedros, the WHO has moved to a five-year development budget costed at US\$14.14 billion from 2019-2023 but it is far from fully funded, despite using a more flexible financing system and a wider donor base, including more private contributions, such as from the Bill and Melinda Gates Foundation.

To put it in perspective, the WHO's core annual funding is less than some large US private hospitals. Earlier this year the **United States** was seeking to reduce its contribution to WHO by 20%, stirring memories of the \$500 million in cuts the organisation suffered immediately prior to the outbreak of Ebola in West Africa in 2014 (AC Vol 57 No 4).

Economic Commission for Africa

After convening a virtual meeting of finance ministers chaired by **Ghana's** **Ken Ofori-Atta**, the ECA published a report arguing for a \$100bn economic stimulus for Africa, of which \$44bn could come from a moratorium on debt service. ECA Executive Secretary **Vera Songwe** is in Washington DC trying to coordinate a response with other UN agencies and the World Bank and International Monetary Fund.

African Development Bank

On 27 March, the AfDB issued \$3bn of bonds to shore up the region's economies in what AfDB President **Akinwumi Adesina** said was the biggest social bond to date. By comparison, the InterAmerican Development Bank issued a \$2bn bond last week. Credit Agricole and Goldman Sachs handled the issuance for AfDB.

International Monetary Fund

In a conference call with the Group of 20 (G-20) finance ministers, IMF Managing Director **Kristalina Georgieva** argued that the debt-relief and financial aid package used during the Ebola epidemic should provide a template for some of the most indebted countries. Ghana applied for a credit last week from a \$50bn rapid credit fund allocated by the IMF to help low-income and emerging-market countries cope with the crisis. The IMF has also called on G-20 countries to consider a moratorium on bilateral debt repayments and to double the \$1 trillion that the Fund has to respond to the crisis. It wants to boost global liquidity through a Special Drawing Rights (SDR) issue as it did in the 2008 financial crisis.

World Bank

Announcing an initial financing initiative of up to \$12bn, of which \$8bn is new money, World Bank President **David Malpass** said that \$1.3bn would come from the bank's soft loan affiliate, the International Development Association, for which about half of Africa's economies would be eligible. Malpass said the money would be used to boost health services and would be available quickly. However, he has since added, in a meeting with G-20 ministers, that it would be conditional on countries agreeing to remove subsidies and regulations.

G-7 countries

On 25 March, G-7 foreign ministers failed to agree on a communiqué after US Secretary of State **Mike Pompeo** demanded Covid-19 be referred to as the 'Wuhan virus', reflecting the diplomatic row over the management of the outbreak. The next day, President **Donald Trump** called China's President **Xi Jinping**, saying that he had 'much respect' for the country.

G-20 countries

At a virtual meeting on 26 March lasting two hours and chaired by **Saudi Arabia's** Crown Prince **Mohammed Bin Salman**, G-20 members agreed to do 'whatever it takes' to minimise the economic and social damage of the crisis but its communiqué had little to say about collective action. Members declined to offer clear commitments after the IMF requested more funding or a special SDR issue. Equally, it said it was concerned about the serious risks to all countries, 'notably in Africa and small island states', yet offered no response to the growing calls for a moratorium on servicing debts owed by the poorest countries.

European Union

After initial reactions to the crisis exposed divisions between wealthier northern members of the bloc and their southern counterparts, European Commission President **Ursula von der Leyen** convened a virtual meeting of EU heads of government on 26 March to discuss plans for financial relief for the hardest hit member states. Little progress was made on a proposal to issue 'coronabonds' but some funds have been allocated to African economies under pressure. EU ambassador to **Tunisia**, **Patrice Bergamini**, has said that the bloc will give Tunisia €250m to assist its management of the coronavirus outbreak. ●

Fears that revenue losses will lead to unsustainable debts is not a uniquely African concern. The country worst hit by the coronavirus crisis, Italy, with a debt-to-GDP ratio of 135%, can't afford a bail-out programme like those of the **United Kingdom** or the US.

Divided on north-south lines, the European Union's richest states such as **Germany**, the **Netherlands** and **France** are more worried about a financial meltdown in Italy and **Spain**, and the implications that would have for the eurozone, than in Africa.

China is seen as a source of financing by some African ministers as Beijing and Washington trade diplomatic blows over

the responsibility and management of the pandemic. China is clearly winning the public relations battle.

DIPLOMATIC GAINS

One of China's richest businessmen, the founder of Alibaba, **Jack Ma**, promised to donate 20,000 test kits, 100,000 face-masks and 1,000 bio-protective suits to Africa, while the US, chronically short of equipment to manage its own healthcare crisis, was reluctant.

South Africa, which generally supports Beijing in UN Security Council debates, has modelled its national strategy on the coronavirus on China's analysis and modelling. Several experts

from Beijing have flown in to help this month.

China's telecoms giant Huawei is offering African governments a 'temperature screening and monitoring system' for airports and ports and big public spaces, as well as donations of masks, protective gloves and hand-sanitiser.

The practical value and accountability of such initiatives may be hard to calculate but they amount to a hefty diplomatic – perhaps economic – gain for China. This when the response to Africa from other regions looks chaotic or clumsily self-interested. ●

AFRICA ECONOMY

Into uncharted waters

Shutdowns, border closures and crashing commodity prices may cause an unprecedented financial breakdown

As cases of Covid-19 grow exponentially across the world, so do the public health and economic threats to African states as governments take action. With over 20 countries on the continent restricting movement and closing borders, finance ministers, coordinated by the UN's Economic Commission for Africa (ECA), held a conference call on 31 March to assess the damage and propose the establishment of special facility to deal with all sovereign debt obligations during the emergency.

This new facility is designed to be the negotiating forum for the continent. 'The call for debt-relief should be for all of Africa and should be undertaken in a coordinated and collaborative way,' said the ministers. African officials are concerned the region's range of debt-service obligations from dollar-denominated Eurobonds and Chinese countertrade deals to bilateral project loans and trade credits as well as obligations to the International Monetary Fund (IMF) and World Bank would weaken its negotiating position.

In previous systemic crises, commercial and official creditors have secured country-by-country restructuring deals and write-offs.

At a meeting on 16 March, ministers had calculated Africa would need an emergency financing package of US\$100 billion, including a freeze on debt-service (AC Vol 61 No 6). Now, ministers reckon the debt-freeze will have to last two to three years but they declined to put a price tag on it.

As several hefty principal payments on African sovereign debt fall due between 2020 and 2022, this will drive up the cost of debt-restructuring. Historically, commercial creditors have moved faster than their public sector counterparts, with their debt traded on a secondary market.

With the bulk of Africa's debt owed to governments or multilateral institutions, the IMF is set to be a key arbiter. But there are questions about its capacity and the political will of its board, dominated by rich countries. Already, 85 countries have asked the IMF for emergency help and that number is expected to double. Ghana, which has just completed an IMF reform programme but spent over 35% of state

revenues servicing its debt last year, was one of the first countries to apply for emergency funding.

On 31 March IMF managing director **Kristalina Georgieva** said the fund was borrowing more from its members after the **United States**, the biggest shareholder, had backed a doubling of the borrowing ceiling. That will take the take IMF's lending capacity up to \$1 trillion, but many doubt it will be enough.

'BIGGEST CRISIS'

After describing the pandemic as the biggest crisis since the Second World War, the UN called on the IMF to allocate another \$1 trillion through the special drawing rights, as well as finance a special \$500bn fund for public health and social emergency spending.

At a teleconference at Columbia University in New York, the IMF's Director of Strategy, **Martin Mühleisen**, said it was discussing halving 'the lead time for accessing emergency finance' to between two to three weeks.

That prompted a call by **Jeffrey Sachs**, an advisor to UN Secretary-General **António Guterres**, for the IMF board to back immediate action to make money available to save lives. The monetary cost would be assessed later, argued Sachs, and much of it could be paid for by an international crackdown on illicit financial flows.

Listening in, a financial analyst remarked that 'we have gone beyond all the previous worst-case scenarios' and should be preparing for radically different economic structures and relations between Africa and the international system after the pandemic.

Africa's fiscal authorities and central banks were relatively quick to intervene, backed by trading partners and lenders. But many have been outpaced by the spread of the pandemic and uncertainty about its duration.

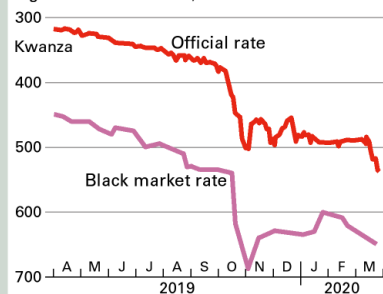
It looks far worse than the global financial crisis in 2008-09, when Africa's economies had larger buffers than now to protect against a downturn. And the economy of China, its main trading partner, recovered quickly.

Now, Africa has a more complex set of debt liabilities, including a higher proportion of commercial debt, less concessional debt, as well as substantial

HOW THE PANDEMIC HITS AFRICAN CURRENCIES

ANGOLAN KWANZA

Against the US dollar, inverted scale



EGYPTIAN POUND

Real effective exchange rate



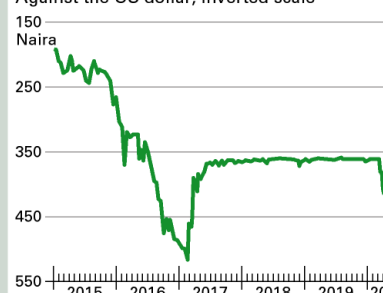
KENYAN SHILLING

Against the US dollar, inverted scale



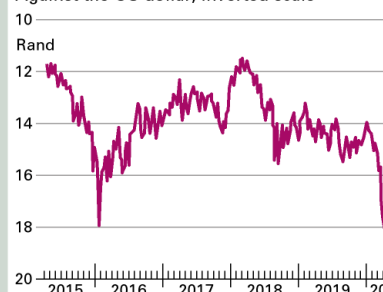
NIGERIAN NAIRA

Against the US dollar, inverted scale



SOUTH AFRICAN RAND

Against the US dollar, inverted scale



Source: Bloomberg News

amounts of hidden or under-counted domestic obligations.

Swingeing increases in international bond yields for countries such as **Zambia, Angola** and **Nigeria**, and ratings downgrades for **South Africa** and its banks as well as for oil producers Angola and Nigeria, show the rapid deterioration. With copper exports slowing down, Zambia's ability to avoid default is in question (AC Vol 61 No 1).

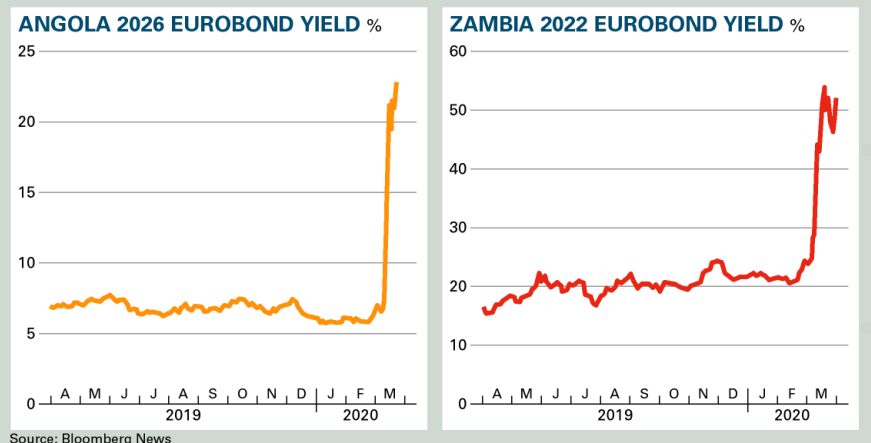
Africa's biggest spike in Eurobond redemptions is not due until 2024-25. But the crisis has closed the Eurobond market to African issuers, derailing many countries debt-financed plans to build infrastructure.

Falling revenues for Africa's oil, mineral and commodity exporters mean debt service problems will escalate, as will national fiscal problems. Lockdowns in countries such as Ghana, Nigeria and South Africa will slow, sometimes stop, production cutting into corporate and personal tax revenues as well as indirect taxes.

Foreign portfolio investors are already bailing out. Many big stock exchanges – including Lagos and Johannesburg – have seen steep falls in capitalisation.

Nigeria and **Rwanda** are planning fiscal stimuli; Ghana, **Kenya** and South Africa have cut interest rates and are taking other action to boost domestic liquidity. Several countries say they will divert money to public health budgets

AFRICA'S BOND YIELDS SKYROCKET



but there are still chronic shortages of medicines, equipment and trained personnel. Meeting immediate needs for public health across the continent would take at least \$10bn, says the ECA.

PRODUCTION CUTS

Restrictions on movement to counter the pandemic will cut farm production and local distribution as imports of foodstuffs and inputs for industry are hit by disruptions to global trade.

Although gold prices are rising as nervous financiers look for more secure investments, disruptions to air routes mean that refined gold from South Africa is not reaching the London bullion market.

As **Saudi Arabia** raises oil production in its squabble with **Russia**, global oil prices fall towards \$20 a barrel, and lower, leaving cargoes unsold. These prices are close to African oil producers' costs of production. State revenues and domestic currencies are taking a hit but pressure is mounting on oil companies. Investments for longer-term oil production will be delayed as demand for oil falls, and lenders to the oil sector face more non-performing loans.

This commodity production and price crash, together with the temporary shutdown of many trade and transport links across the continent, comes just months before African Continental Free Trade Area operations begin. ●

SOUTH AFRICA

Cyril's double crisis

Drastic measures to contain the pandemic, coupled with the Moody's downgrade, have strengthened the President's hand – for now

The South African government has vowed to respond to the double shock of the coronavirus pandemic and a credit ratings downgrade by making overdue structural reforms to prevent the country defaulting on its debt. But pundits warn that at least three years of recession and economic pain lie ahead.

The country's deepening economic crisis has shifted the power balance in government to the reformists: a triumvirate of President **Cyril Ramaphosa**, Finance Minister **Tito Mboweni** and South African Reserve Bank Governor **Lesetja Kganyago**.

Ramaphosa's handling of the Covid-19 crisis has put him and his allies in a strong position to accelerate the proposed reforms to the public sector,

which include lay-offs and incremental privatisation of the energy sector (AC Vol 61 No 6).

The report by Moody's ratings agency downgrading the country's investment status to junk cited the state's failure to provide a reliable power supply as a key factor in the decision.

Without naming him, the report put Mineral Resources and Energy Minister **Gwede Mantashe**, who is also chairman of the ruling African National Congress, on the spot for failing to fast-track renewable energy and independent power producers to supplement the national grid run by the debt-ridden power utility Eskom (AC Vol 60 No 24 & Vol 61 No 4).

Responding to the long-awaited downgrade, Finance Minister Mboweni

broke the political taboo on accepting aid from the International Monetary Fund, saying he was prepared to borrow from the IMF and the World Bank out of the new facility designed to support developing countries suffering from the effects of the pandemic. Loans could be worth around US\$3 billion. Mboweni said that he was prepared to make difficult choices 'even if people burn me on the stage'.

The IMF has been advising South Africa for over a decade to rein in its debt, boost its revenue and restructure ailing state-owned enterprises. But strong resistance from trade unions and the left have made taking such advice almost impossible for the ANC.

'There is no time for ideology,' said Mboweni in the direct style that has become his hallmark. 'If not the IMF, then give me the money. I cannot eat ideology.'

The double economic crisis which has taken the country to the edge of the fiscal cliff has opened political space for Mboweni to act on some of the measures contained in the budget he presented four weeks ago and in a discussion paper presented last year

LOCKDOWN SHUTS DOWN CRITICS

President **Cyril Ramaphosa's** fiercest critics have been brought onside as he engages with political parties, business leaders, unions, church and traditional leaders to tackle the coronavirus crisis (AC Vol 61 No 6).

At the time of going to press, South Africa had the highest number of coronavirus cases in Africa. Knowing that the country's weak healthcare system and overcrowded townships could spell disaster, Ramaphosa announced a 21-day shutdown to slow the spread of the coronavirus, curtailing the movement of people except for essential services and sending the army onto the streets to ensure everyone complied.

Ramaphosa's critics were silenced. Even Economic Freedom Fighters (EFF) leader **Julius Malema** tweeted: 'I hear some people will be allowed to walk dogs; just don't try us, please. We support the government's intervention, but rubbish won't be tolerated.'

In a WhatsApp video sent to the media, another political enemy of the President's, ANC secretary-general **Ace Magashule**, said: 'The ANC welcomes the announcement by comrade President Cyril Ramaphosa for placing the country under national lockdown necessary measure.'

'We must put politics aside if we are going to succeed in the fight against Covid-19,' opposition Democratic Alliance acting leader **John Steenhuisen** said in a statement (AC Vol 61 No 4).

Ramaphosa has also earned credit for the donation last week by two of the country's richest families, the Ruperts and the Oppenheims, of one billion rand (\$56 million) each to support small and medium businesses. South Africa's richest black businessman, **Patrice Motsepe**, and his companies also donated R1bn to distribute sanitisers, water tanks and other health essentials.

Health Minister Dr **Zweli Mkhize**, the former ANC Treasurer-General and a medical doctor, has been at the forefront of the government's response since South Africa announced its first coronavirus case.

Amid mounting concerns about the country's ailing public health system, Mkhize has reached an agreement in principle with private healthcare providers to ensure treatment for people with no money.

Patrols, roadblocks and road closures will be enforced by the South African National Defence Force, while Police Minister **Bheki Cele** has warned people that they will be arrested if they do not remain at home.

Not everyone agrees with this. Civil society groups argue that the lockdown without the provision of mass-testing and essential services like food and water cannot work unless there's a social safety net for people.

Civil servants have identified 52 state properties for quarantine sites, in addition to those that have been volunteered by the private sector, and 20,000 workers from the government's extended public works programme will assist with the distribution of hygiene products and disinfectants.

Medical experts say the country's experience in combatting HIV and tuberculosis will stand it in good stead. South Africa has 7 million people living with HIV and the highest number of people on antiretrovirals in the world. It is also one of only seven nations in the world to have more than 500 cases of TB per 100,000 people. Because tuberculosis is infectious, South Africa has a good record on surveillance, monitoring and contact-tracing. ●

to support the commercial banks, which are in the front line of the Covid-19 response. But the Reserve Bank insisted that it did not amount to quantitative easing.

The move will enable the banks to support the economy as it deals with the fallout from the Covid-19 response and the ratings downgrade. It would provide a firm regulatory base to remove the risk of capital breaches and other threats to the banking system.

The moment of reckoning for the South African economy was fast-forwarded by the dual economic shocks of the lockdown, which will cost an estimated 300bn rand (\$17bn), and some R90bn (\$5bn) in outflows of portfolio investment as a result of the downgrade.

The outflow over the coming weeks and months follows the automatic delisting of the country on the FTSE World Government Bond Index (WGBI) that comes with downgrading to sub-investment status.

The downgrade had been expected for such a long time and was already 'priced in' but it will have severe long-term effects as it reduces the country's long-term growth potential through higher funding costs, higher volatility and less liquid markets.

The downgrade led to a sharp drop in the rand which broke through the psychological barrier of 18 to the US dollar and 22 to the British pound. Economists recalibrated their GDP forecasts for 2020 to -6.8% in the event of a three-week lockdown and -18.2% in the event of a nine-week one.

Projections for the budget deficit this year are -12.70% and -21.2% respectively while debt as a percentage of GDP, currently running at 70%, could go as high as 90%. An estimated one million jobs could disappear.

RISK OF UNREST

But Ramaphosa's decisive leadership on the Covid-19 pandemic is not without risks. The first few days of the lockdown have indicated how difficult it is for an under-resourced police force to enforce social distancing when many people are living 6-8 in a shack. There is a heightened potential for social unrest and an undercurrent of frustration and anger is discernible. As *Africa Confidential* went to press reports of unrest in the townships were coming in. Scuffles broke out outside supermarkets at townships over the weekend and police used teargas to disperse a crowd in Gauteng province.

Mark Swilling, head of the Sustainability Institute at Stellenbosch University, said that the script written

which ruffled feathers on the left (AC Vol 61 No 5).

Even if the government were to embark on structural reforms it would take three years for South Africa to regain investment-grade status. All three ratings agencies are expected next year to further downgrade South Africa's investment status. The other two rating agencies – Standard & Poor's and Fitch – downgraded South Africa to junk status in 2017.

The tone and content of Mboweni's response to the downgrade suggested that he was putting the blame on other elements in government, such as Mantashe. 'There will now be a massive battle between National Treasury on the

one hand and the rest of government and the ANC rank-and-file on the other hand,' said one analyst close to the action.

BUYING BONDS

In the run-up to the drastic Covid-19 lockdown on 26 March and ahead of the investment downgrade, Kganyago quietly prevented a debt default by indicating that the Reserve Bank would purchase bonds that had become untradeable as US investors withdrew to the safe haven of the US dollar.

The Reserve Bank announcement, which surprised the markets, was generally seen as a combination of capital, regulatory and liquidity easing

for the government by Moody's assumed acceptance of the fact that millions of

poor people would suffer in the process. 'There is not a single mention of how

the poor will get open access to health and food,' he said. ●

GUINEA

Condé goes it alone

The President gets the constitutional change he wants to enable a third and fourth term, and the crackdown on the opposition continues

President Alpha Condé got what he wanted: a 92% 'yes' vote in the constitutional referendum, which was held on 22 March alongside a long overdue legislative election which the opposition boycotted. He has opted, however, to risk regional and wider isolation and condemnation.

The provisional outcome formally announced on 27 March was 91.6% in favour of the new constitution, a victory margin that resembles those obtained by Condé's predecessors: **Ahmed Sékou Touré**, who ran Guinea with an iron first from 1958-84 and condemned Condé to death in absentia in 1970 for being part of the opposition, and **Lansana Conté**, who had him jailed and tortured for the same reason (AC Vol 49 No 3). The irony that he suffered so much for democracy and then opted for autocratic behaviour himself seemed lost on him.

Reporting the repression on polling day was made as difficult as possible. The internet was shut down, all social media were made inaccessible and the WhatsApp messaging service was interrupted. Security forces and gangs of vigilante youths loyal to the government and to the opposition attacked media workers in the streets of Conakry. The opposition attacked reporters because they were legitimising what they called 'a scam', and the government supporters despised them for supposedly supporting the opposition.

Voting day was chaotic, with arson attacks on polling stations in the capital, urban centres in Moyenne Guinée (an opposition stronghold) and the habitually volatile Guinée Forestière. The repression on the streets was harsh, random and deadly, akin to that employed by Conté. Security forces were reportedly using live ammunition against demonstrators, driving pickup trucks through crowds of protestors and taking part in running battles with groups of protesting youths.

Condé has surrounded himself with some of the most hard-line operatives from Conté's days, including the immovable Secretary-General to the presidency **Naby Youssouf Kiridi Bangoura** and Prime Minister **Ibrahima**

Kassory Fofana (AC Vol 60 No 8 and Vol 55 No 3). Condé and his party have a few attack dogs of their own, including the voluble *Rassemblement du peuple de Guinée* (RPG) parliamentary majority leader **Amadou Damaro Camara**, who specialises in violent and inflammatory rhetoric, which he employed frequently in the run-up to polling day.

The presidency and the RPG continued to claim that voting day had come and gone peacefully until the Special Representative of the UN Secretary-General, **Mohamed Ibn Chambas**, issued a declaration on 25 March condemning the widespread violence, notably in the Guinée Forestière capital of N'zérékoré (see box). Like the declarations expressing concern and condemnation coming from the European Union and the **United States**, these will be ignored.

The one that matters is the Economic Community of West African States (Ecowas). The West African body has been decidedly unhappy about Condé's behaviour: his fellow heads of state have not forgotten his snub of their

high-level delegation in late February (AC Vol 61 No 5).

But they are unlikely go as far as the opposition alliance, the *Front nationale pour la défense de la constitution* (FNDC), which described the referendum as 'a constitutional coup d'état'. The Ecowas Court will rule on the case brought to it by the FNDC in late April, by which time Condé's position in the regional body may well have strengthened.

At home, and politically, Condé is on safe ground. Guinea's parliament will be entirely populated by his RPG because of the opposition boycott. Well-known opposition strongholds like the Conakry suburb of Ratoma and the capital of Moyenne Guinée Labé (home to opposition leader **Cellou Dalein Diallo**) will have RPG representatives. This recalls the days of Sékou Touré's *Parti Démocratique de Guinée*, which had the run of the National Assembly throughout the reign of Guinea's first president.

EMERGENCY STATE

Four days after the poll and certain that all results were going his way, Condé declared a state of emergency in the name of Covid-19 measures. He ordered the closure of all terrestrial borders, as well as schools, mosques, churches and any other gathering places until further notice.

The International Crisis Group suspects there is convergence between the anti-Covid-19 measures and continued repression of the opposition.

DEATH IN THE FOREST

On the day of the double poll, news started filtering out of N'zérékoré, the capital of Guinée Forestière province, that a major church and other places of worship had been smashed and burned. Previous confrontations in the 1990s and again in 2013 had left hundreds dead. The triggers are usually trivial – an altercation at a market stall or a street brawl – but the results are devastating because of unresolved intercommunal tensions, including access to land, which unscrupulous politicians shamelessly exploit.

The violence started, according to some reports, when youths loyal to the ruling *Rassemblement du peuple de Guinée* (RPG), some allegedly accompanied by traditional Malinké hunters called 'donzo' from Haute Guinée, a Condé stronghold, entered an area mostly populated by Guerzé, one of the forest peoples, who are mainly Christian and opposed to the incumbent.

Violence flared and spread to other parts of the sprawling city, with churches and mosques destroyed, homes burned and people fleeing into the surrounding forest. Human rights organisations have put the death toll at 22, while the opposition *Front nationale pour la défense de la constitution* (FNDC) says 66 were shot, knifed and burned to death. The FNDC called for an inquiry by the United Nations.

The incident became a political football when the RPG published a statement on 26 March accusing the opposition *Union des forces démocratiques de Guinée* of being behind the violence. The UFDG said the RPG was lying and challenged it to back its call for an international inquiry. ●

Worrying reports continue to emerge about raids in parts of the capital known to be opposition strongholds and the reappearance of Sékou Touré-style detention camps. It has been alleged that over 40 youths, said to belong to the FNDC, were held in such a camp, called Soronkoni, located

near Kankan in the northeast of the country, between 20 February and 29 March.

With attention now turned away from the elections and onto the fight against Covid-19, Condé has ample time to put away the most irritating opposition actors and prepare his

bid for a third term. But the FNDC is unlikely to give up this fight, even when its national and local leaders end up in detention and local celebrity supporters like former reggae star **Elie Kamano** leave the country amid acrimony (AC Vol 60 No 22). The third term battle is far from over. ●

MALAWI

Poll in a plague year

The re-run of the presidential election looked certain to see Mutharika fall, but all bets are off now that political rallies are banned

The new presidential election mandated by the Constitutional Court in February was always going to be bad news for President **Peter Mutharika**, especially with the new requirement that the winner take over half of the popular vote. But then, the ruling Democratic Progressive Party (DPP) formed a coalition with one of the minor parties, and then came the coronavirus crisis, which led to the banning of all meetings of more than 100 people. Meanwhile, the opposition has significantly boosted its prospects by uniting the second and third-placed candidates in May's poll. This should give them victory if they can maintain unity.

The Malawi Electoral Commission (MEC) has now set the date of the election for 2 July. The opposition rejects this because it says the commission is illegitimate, but the date is likely to stand.

Banning meetings of over 100 had the fortunate effect for the President of putting a stop to the mass demonstrations against him which have been dominating urban life ever since the now-annulled poll. Mutharika accused the opposition on 26 March of playing politics with the disease – although Malawi has yet to officially announce any infections – and ordered its activists to stop going door-to-door with advice about how citizens should handle the threat.

But the President is also trying to challenge the Constitutional Court's annulment of the election and the order to hold a new one within 150 days. The Supreme Court is expected to hear his appeal on 15 April (AC Vol 61 No 3).

Another part of President Mutharika's survival strategy is to buy himself time by refusing presidential assent to the bills that Parliament

passed in order to implement the court's decisions. Because Parliament is not currently in session, it cannot send the bills back to the President and so force him to sign them into law. The constitution allows him to refuse assent once only. Those bills would have effectively sacked the MEC and set 19 May as the date for the election re-run. As a result, the existing commission, whose chair, **Jane Ansah**, was one of the main targets of the demonstrations, remains in place. Opposition parties have said they cannot respect any timetable or process set out by the MEC but have yet to declare a boycott (see box).

Mutharika was a constitutional law professor in the US, but he is not relying only on complex legal manoeuvring to protect his position. He has also sacked the head of the Malawi Defence Force, General **Vincent Nundwe**, who was widely praised for protecting the lives of the demonstrators.

The army stepped in when police officers went on the rampage after one of their number was killed during a demonstration. DPP politicians tried to justify Nundwe's dismissal by claiming he refused to sack middle-level officers who they said were planning a coup.

PARTY PLACES

Mutharika has been busy building a coalition that he hopes can carry him over the 50% hurdle set by the Constitutional Court. **Atupele Muluzi**, who came fourth in last year's poll, has joined his United Democratic Front (UDF) to Mutharika's campaign. Mutharika then rewarded Muluzi with the energy portfolio in a reshuffled cabinet, along with three other UDF leaders. DPP insiders say Muluzi will be offered the role of Vice-President on the election ticket.

On paper, the DPP-UDF alliance looks nothing like as strong as that of **Lazarus Chakwera** of the Malawi Congress Party (MCP) and **Saulos Chilima** and his United Transformation Movement (UTM), along with seven smaller parties. Pundits initially assumed that Chakwera would lead the ticket, but when the two party leaders signed a treaty of alliance on 19 March, no decision had been made. Also, the UTM voted in late February not to support any presidential ticket that Chilima did not lead.

Insiders have been talking about a deal, if they win, whereby Chakwera would control 30% of public appointments and Chilima 50%, including cabinet posts. Ex-President **Joyce Banda's** People's Party, which backed Chakwera at the last election, and Banda's former deputy **Khumbo Kachali's** Freedom Party would each take 10% of the jobs if they win, these sources say.

A rough sum of the votes for these alliances, going by those cast last May, would yield 44% for the DPP-UDF ticket and 55% for MCP-UTM.

BALL IN COURT

However, crucial legal moves over the election are still playing out. Many believe that while the appeal against the annulment of the election will fail, the Supreme Court may overturn the Constitutional Court's interpretation of 'majority' as 50%+1. If this occurs, Malawi would return to the status quo ante, and only a simple majority would be needed for victory, which would greatly help the incumbent.

In that case, the MCP-UTM alliance could come under strain. Chakwera and Chilima are not natural political bedfellows. While Chilima galvanised the urban youth on a platform of change and anti-corruption after defecting from Mutharika's government in 2018, Chakwera represents the dusty past. The MCP was the ruling party in the one-party state of Dr **Hastings Kamuzu Banda**, the bloodthirsty autocrat who ruled from independence in 1966 until 1993.

Who will lead the MCP-UTM ticket is a fraught issue. Chilima could risk losing many of the 1 million votes he took in May if he played second fiddle to Chakwera, but the UTM is a much

smaller party and it is thought much more likely that Chakwera will lead the ticket.

Some pundits also believe that Chilima's return to the DPP cannot be ruled out. One UTM source claimed that Chilima's chances of eventually becoming president are far greater with an aged, second-term Mutharika than with Chakwera, who could be in power for 10 years before Chilima got a chance to stand as president. Many UTM officials were formerly with the DPP.

Other sources labelled this as 'fake news' by the DPP. Chilima's supporters, they say, would hardly vote for a man who returned to support the very president he described as massively corrupt and whose administration he left in disgust.

The forgotten victim of the UTM-MCP lash-up is businessman **Sidik Mia**, who stood for the vice-presidency on Chakwera's ticket but looks like being sidelined completely, even though he financed the MCP election campaign (AC Vol 55 No 3). After analysing the May poll results MCP activists believe Mia's electoral appeal is poor.

Mutharika may be keeping the second place on the DPP ticket warm for Chilima, who remains, thanks to the Constitutional Court ruling, the nation's Vice-President. However, too many harsh accusations have passed between them, especially during the election campaign, for such an outcome to be credible, his friends say.

DPP sources say the annulled Vice-President, **Everton Chimulirenji**, will not go on the DPP ticket. Chimulirenji

FAIR ELECTION FACES OBSTACLES

The presidential election re-run is set for 2 July, just inside the 150-day window stipulated by the Constitutional Court (AC Vol 61 No 3). It is not clear who will run it, however. The term of current Malawi Electoral Commission board members ends in June, and it would cause uproar if they were allowed to remain in post longer. Yet if they stand down their replacements would not have enough time to learn the ropes and make improvements.

Even with strong and effective leadership, it is unclear whether a high-quality election can be organised on this time scale, especially because the enabling legislation for the Constitutional Court's reforms has been blocked. There isn't enough money for the polls either. The international community is reluctant to finance the polls, especially given the lack of progress towards electoral reform.

It would suit the ruling Democratic Progressive Party to postpone the poll, given the strain on the public purse of spending government resources on public services and patronage to help boost the DPP vote. Party organising is expensive too. In the absence of resources, the MEC cannot effectively prepare for an election that is just months away. The DPP is concentrating its resources on the Supreme Court appeal, not on a new election. Why implement the reforms while there is still a chance that the Constitutional Court's verdict will be overturned, its supporters ask.

Finally, it is unclear how an election can be held in the context of the coronavirus outbreak. The 100-person limit on gatherings not only rules out campaign rallies, but also voting. The MEC has unveiled new procedures to deal with the crisis, but these appear to directly contradict its own voter education and mobilisation plans.

These challenges, combined with employing new polling staff, registering the new voters who have turned 18 since last year, and printing the ballots, which is done in Dubai – all during a pandemic – suggest that Malawi's election controversy is nowhere near over. ●

was made Minister for Disaster Management in the recent reshuffle.

Mutharika may yet opt to better his odds of victory by increasing repression, intimidating the opposition and the media, and manipulating the election under cover of 'necessary' measures to help contain the coronavirus. He has also openly threatened the Human Rights Defenders Coalition, which is

behind many of the protests since May, accusing them of being terrorists. He promised, 'I will show them what I am made of' and, after telling the security forces to intervene in order to prevent a planned protest march on State House, three HRDC leaders were arrested.

Malawi has not seen such political turmoil since independence and it is far from finished. ●

CONGO-KINSHASA

The Kabila Strain

The health damage is not yet clear, but the economic consequences of the virus are grave, as the previous and current presidents squabble

The Covid-19 pandemic took until the middle of March, when the first domestic cases were reported, to rouse the government. Then, on 18 March, President **Félix Tshisekedi** announced flight restrictions to close the country off from Europe and the Middle East.

This and other measures on the pandemic are rolling out against a background of continued tension between the President and his still-powerful predecessor, **Joseph Kabila**, and an extremely gloomy outlook for the economy in the wake of the slump in demand for Congo-Kinshasa's raw materials.

A foretaste of the kind of problems the government may experience in trying to enforce society-wide measures to cope with the new disease came on 23 March when Tshisekedi announced the establishment of a National Solidarity Fund to combat Covid-19 and attracted immediate derision for failing to say if he or the government would be contributing to it. The next day, he declared a state of emergency, closing the country's borders, banning all domestic flights, passenger-vehicle and boat-travel to and from Kinshasa, as well as large gatherings. All clubs, restaurants and bars had to close.

In Haut-Katanga, governor **Jacques**

Kyabula ordered a 48-hour lockdown in the provincial capital Lubumbashi from 23 March after two people arriving from Kinshasa allegedly tested positive for Covid-19.

Production continues, meanwhile, in most of the copper and cobalt mines in the province and neighbouring Lualaba, although the senior management of some Chinese-owned mines are still in China, having gone home for the Chinese New Year in late January. On 23 March, China Molybdenum announced it was putting its enormous Tenke Fungurume mine (TFM) in isolation, forbidding staff to leave the site indefinitely.

The world copper price has fallen 25% as global industrial production has been halted, particularly in China, to help stop the spread of Covid-19. Chinese battery output is forecast by some analysts to be 26 gigawatt hours lower in 2020 than it would have been before the onset of the pandemic, and many of the component materials

are mined in Congo-K (AC Vol 61 No 5). The fall is devastating for Congo-Kinshasa's balance of payments and for government finances. The fiscal position is precarious and expected to worsen significantly in April with the implementation of an expensive new phase of the free education policy. The International Monetary Fund (IMF) complained recently that the government was borrowing from the central bank to meet its spending requirements, and so breaching its fiscal guidelines. This is a threat to any future agreement on a new lending programme.

CASUAL MEETING

Just before the outbreak hit the country, President Tshisekedi and Kabila finally met to try and resolve their differences at Tshisekedi's residence in Kinshasa's N'Sele neighbourhood on 12 March following weeks of mounting political tension (AC Vol 61 No 6). Kabila was criticised for meeting the suit-wearing Tshisekedi in blazer and jeans.

Tshisekedi took some tension out of the encounter by agreeing to stop sending his spokesman **Jean-Marc Kabund** to talk to Kabila on his behalf. In exchange, Kabila apparently agreed to exclude from the talks **Emmanuel Ramazani Shadary**, the co-ordinator of his coalition the *Front Commun pour le Congo* (FCC – AC Vol 61 No 5). Tshisekedi also said he would ask the security ministry, the *Direction Générale des Migrations* (DGM), to stop harassing

members of the Kabila clan after an altercation between its agents and the former president's sister, **Jaynet**, at Kinshasa's N'djili Airport. Tshisekedi and Kabila also committed to meeting face-to-face more often, but made no progress resolving two other, long-running disagreements between the FCC and Tshisekedi's political coalition, the *Cap pour le changement* (CACH).

The first disagreement is over how to carve up the leadership positions of state-owned companies and state agencies. Stalemate on this issue has made it difficult for any of them to take significant decisions, leaving some agencies, including the *Autorité de Régulation d'Electricité* (ARE), completely dysfunctional.

The second disagreement is over the division of powers and responsibilities between each government ministry and between them and Tshisekedi's burgeoning team of special advisors. The Minister of Planning, FCC man **Elysée Munembwe Tamukumwe**, for example, chairs the government's steering committee on improving the business climate. But a newly established 'cellule' in the presidency's office now claims that it should lead the process. In February, Prime Minister **Sylvestre Ilunga** sent the presidency draft texts on the 'organisation and functioning of government' including its harmonisation with presidential experts and advisors. Tshisekedi signed presidential decrees on the matter on 27 March, though it remains to be seen

whether that quells the competition.

The climate of division was not helped by the death on 28 February of General **Delphin Kahimbi Kasabwe**, the head of military intelligence. It shocked the country and prompted a rash of conflicting theories. The *Mission des Nations Unies pour la Stabilisation du Congo* (Monusco) is confident that Kahimbi committed suicide. Its expert inspected the corpse and found no evidence of foul play (AC Vol 60 No 11). Kahimbi had been suspended from the *Forces Armées de la République Démocratique du Congo* (FARDC) a few days earlier and was due to be tried for allegedly installing bugging equipment to monitor the government. But some Kabila critics say that would also be a motive for the former president to seek to silence Kahimbi before the trial, so as to discourage other prominent members of Kabila's security apparatus from speaking out.

DEFECTORS

If Kabila is worried about his entourage spilling the beans under duress, he is equally troubled by the brazen defection of some of his closest aides. **François Beya** was the head of the DGM under Kabila but is now Tshisekedi's special advisor on security; he was by Tshisekedi's side when he met Kabila in March. Worse, Beya's replacement at the head of the DGM, **Roland Kashwantale**, was also once a Kabilist, but has now enthusiastically aligned himself with the new regime. ●

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How the pandemic hits Africa

Most African countries are under curfew and have closed their economies. But what is happening on the ground? These snapshots give an insight into how different nations across the continent have responded to the coronavirus pandemic.

Zimbabwe

HEALTHCARE FOR DOLLARS

The first reaction of Zimbabwe African National Union-Patriotic Front high-ups to the pandemic was to blame the West, or at least to gloat at its misfortune. Defence Minister and ZANU-PF national chairman **Oppah Muchinguri** said on 16 March that the pandemic was a punishment from God on the West for its economic sanctions on Zimbabwe. That was before the disease hit nearer home.

A 30-year-old television personality and son of a telecommunications magnate, **Zororo Makamba**, died in a Harare hospital from the disease on 23 March in a room with no electric socket, no running water, and no intensive care treatment available, shocking the country and galvanising the elite. Makamba had visited the offices of President **Emmerson Mnangagwa** just days earlier. Officials who had come into contact with Makamba were put into quarantine and the President moved out of his office.

Makamba's death caused panic in ruling circles, and oil importer Sakunda Holdings, which is owned by **Kudakwashe Tagwirei** and is strongly politically connected, was secretly mobilised (AC Vol 60 No 23). Sakunda is re-opening an abandoned private hospital in Harare, the Rock Foundation Medical Centre, which is being turned into a facility to specialise in treating coronavirus cases.

Sakunda is also taking over St. Anne's Hospital, previously run by the collapsed pharmaceutical firm, CAPS Holdings. The news triggered a public outcry because of the lack of medical facilities elsewhere. The Ministry of Health quickly backtracked, saying the facility would be available to the public. However, it is understood only patients who can pay in US dollars will be admitted to either hospital.

Sakunda is importing 100 ventilators, 10,000 rapid-test kits, 10,000 disposal protective gowns, 20,000 medical masks, and other medical equipment. Zimbabwe has 17 ventilators and a population of 16 million.

Doctors and nurses went on strike at the public hospitals citing a lack of protective equipment for them. On 24 March Mnangagwa activated an 11-member task force, chaired by Health Minister, **Obadiah Moyo**. Moyo was soon removed, however, and replaced with General **Constantino Chiwenga**, the Vice-President. Seeing that Zimbabwe is under virtual martial law, this could be significant in the context of his continual rivalry with the President. A three-week nationwide lockdown started on 30 March, enforced by the security forces, which is probably the only realistic chance of preventing the spread of the disease, but workers in the informal economy will not be able to afford to stay put.

Botswana

RELYING ON THE NEIGHBOURS

President **Mokgweetsi Masisi's** leadership on the coronavirus crisis got off to a bad start. On 21 March, days after telling the nation about isolating, not travelling, and all the other precautions, he flew to Windhoek to attend the inauguration of President **Hage Geingob**. On his return he went into 14 days of isolation, which didn't protect him from a storm of opposition criticism for hypocrisy.

Botswana's main concern is that President **Cyril Ramaphosa** keep his word that the coronavirus outbreak and the lockdown of **South Africa** will not disrupt the supply of goods across the border. With an almost non-existent manufacturing and agricultural base, landlocked Botswana gets up to 80% of its food and other supplies from South Africa. The outbreak illustrates Botswana's heavy reliance on its big neighbour and the government's chronic failure to diversify its economy.

Yet even the all-dominant diamond trade has suffered because buyers from traditional centres such as Mumbai, Antwerp and **China** are blocked. Normally they come 10 times a year to buy diamonds from De Beers.

Proceeds from De Beers's second sales cycle of the year, in February, were 36% lower than January's \$551 million. The third sales cycle, which had been due to start in Gaborone on 30 March, was suspended. Reduced diamond sales and exports will have an impact on government revenues as well as GDP.

The tourism and hospitality sector is already feeling the impact of Covid-19, with virtually all hotels, lodges and or airports deserted. Tourism is the second-largest foreign currency earner and one of the economy's most labour-intensive industries, employing around 25,000 people directly, and even more indirectly.

'We foresee a 20% decline in export earnings in 2020 compared to 2019 – a drop of 12 billion pula (US\$1bn). Assuming that imports remain largely unchanged, this will need to be financed by drawing down from the foreign exchange reserves or borrowings,' said **Keith Jefferis**, managing director at advisory firm, Econsult.

'Our forecast is for GDP growth around minus 4% in 2020, down from a pre-Covid-19 projection of plus 3.5%-4.0% growth,' he added.

Angola

DEBT CRISIS DEEPENS

Even without the coronavirus pandemic it was always doubtful that 2020 would be the year Angola would return to growth, as President **João Lourenço** had promised. After a brutal four years of recession, at least a 1.2% fall in growth is expected, according to the government's revised budget projection, but even that could prove optimistic (AC Vol 61 No 3).

To make up the cash shortfall, on 18 March Lourenço authorised a \$3 billion Eurobond sale. This looks unlikely to happen now that markets are demanding yields of around 23.5%, three times the figure at the beginning of March.

With its debt pile already around 100% of GDP, more than half of the budget used for servicing the debt, and already under IMF assistance, Lourenço took \$1.5 billion from the sovereign wealth fund. This will be used to feed the cash-starved state, and fund the additional spending related to the coronavirus emergency. Further drawings from the funds could well prove necessary.

On 27 March, the mask-protected council of ministers announced a series of measures including a civil service hiring freeze and using social security funds to buy Treasury bonds. To set an example, the president reduced the number of ministries from 28 to 21.

A 14-day nationwide lockdown began on 24 March, followed three days later by a state of emergency, restricting movement and gatherings, while also prohibiting strikes and imposing price controls. The military and police took to the streets, ordering people into their homes, and arresting four priests for celebrating mass. But seeing how dependent most people are on street markets for their daily meals and supplies, restrictions are sure to be ignored, especially in the densely populated slums of Luanda and other major cities.

In hospitals, there is panic, with doctors complaining of lacking equipment and training. Quarantine centres for passengers coming in the last flights from Europe quickly overflowed and passengers arriving from highly

infected countries were lodged in buses. The last of the passengers arriving in Luanda were sent home for quarantine, but some well-known figures were seen in bars and restaurants hours after their arrival.

The governing *Movimento Popular de Libertação de Angola* may, however, see a silver lining. The country's first municipal elections are due, and the MPLA – which was already fearful of a surge in opposition support because of the economic crisis – was only too happy to postpone the poll.

Namibia

VIRUS RATTLES SWAPO

Although the coronavirus pandemic has yet to affect Namibia seriously – as April began there were only 10 confirmed cases and no deaths – President **Hage Geingob's** government has introduced progressively tighter restrictions.

Initial foreign travel and entry restrictions escalated to a lockdown of the most economically important parts of the country by end-March, but not all borders have been closed.

Covid-19 has arrived at a time of unprecedented political vulnerability for the ruling SWAPO Party after a poor performance in the last election (AC Vol 61 No 4). The economy is already in a dire state, having contracted by 1.1% last year. Unemployment stands at 40%, and public spending is down. The 69% **Chinese-owned** Rössing Uranium mine suspended operations in late March, but the 90% Chinese-owned Husab mine has yet to do so.

An economic rescue package has yet to be announced, although the Bank of Namibia cut its key interest rate by 100 basis points to 5.25% on 20 March, replicating South Africa's rate cut of the day before. The soaring infection rates in neighbouring **South Africa** have been a major factor in the government's response. Like **Botswana**, Namibia is heavily dependent on and closely tied to South Africa.

Geingob – who was sworn in for a second five-year term on 21 March – announced a six-month state of emergency four days earlier and yet allowed the ceremonies to proceed. He also reshuffled the cabinet, bringing in central bank governor **Ipumbu Shiimi** as finance minister and appointing navy commander Rear Admiral **Peter Hafeni Vilho** as defence minister.

Vilho was involved in the deployment of Namibia Defence Force (NDF) troops on the streets during last November's presidential and legislative elections. The armed forces are playing a crucial role in managing the emergency, including enforcing a three-week lockdown of the economic hub regions of

Khomas (including the capital Windhoek) and Erongo (containing Walvis Bay port and Namibia's two large uranium mines) from 27 March.

All movement within, into and out of both regions is banned apart from essential services, with government and private sector workers expected to work at home and 'if possible', all public gatherings 'to be avoided'. The government has not extended these measures to northern Namibia, the most populous part of the country and SWAPO's political heartland, fearing the long border with **Angola** would make it unenforceable and not wishing to inconvenience its most important political base.

Lesotho

A DIVERSION FOR THE PREMIER

One person who may have welcomed the coronavirus was Prime Minister **Thomas Thabane**, who was in a terminal political crisis when it struck. He had promised to resign by July but now presides over social control measures designed to prevent the pandemic spreading across the country.

Lesotho suffers from high rates of HIV infections and malnutrition; the healthcare system is chronically underfunded. No confirmed coronavirus case has been recorded yet, but Thabane has ordered a 24-day lockdown in step with **South Africa**. Lesotho is entirely surrounded by South Africa.

With his coalition in disarray and facing a murder charge, Thabane could buy time as the law courts and parliament are closed. Political rallies and meetings have also been banned.

Whether or not Thabane resigns, the prospect of trial for the murder of his estranged wife, who was shot dead two days before his inauguration, is real. The Constitutional Court has to decide if he can be tried. The monarch is immune from prosecution but the law is vague on whether that extends to the prime minister.

Thabane's current wife, whom he married three months after the murder, was first to be charged with the crime. When Thabane appeared in court his lawyers argued that they cannot both be prosecuted while he still holds office. The pandemic will drag out the case.

The economy will suffer further although Thabane says he has set aside a budget – as yet unspecified – to fight the epidemic. Lesotho relies on donors for much of its budget and was facing a hefty deficit before the outbreak.

The economic slowdown will cut demand for textiles and diamonds which account for 80% of exports. The textile sector provides 30% of jobs and its links with shops and warehouses, as well as

transport will hit the economy, while the travel and tourism industry will take a heavy knock.

Nigeria

LAGOS TAKES THE LEAD

After speculation about his health and whether he was even in the country, President **Muhammadu Buhari** gave a belated televised address on 29 March announcing a lockdown of Abuja, Lagos and its neighbouring Ogun and Osun states. He promised direct payments to the poorest Nigerians, stopped from earning a living by the restrictions, as well as financial relief for small and medium-size companies.

Lauded for its handling of the 2014 Ebola crisis, the Nigeria Centre for Disease Control (NCDC), led by Dr **Chikwe Ihekweazu**, is working hard on contact-tracing and setting up coronavirus testing labs around the country.

With over 150 confirmed cases by 1 April, many worry that Nigeria could follow, even surpass, the spread of the virus in Africa's other big economies, **Algeria, Egypt and South Africa**. Already, it has cut through the country's political class with the President's Chief of Staff, **Abba Kyari**, Kaduna State governor **Nasir el Rufai**, and Bauchi governor **Bala Mohammed** all testing positive.

In Lagos, Africa's most populous city, state commissioner for health Dr **Akin Abayomi** has set up a special operations centre for digital tracking and monitoring of cases. It is combining preventative measures such as testing, quarantine and isolation while ramping up local healthcare services, and bringing in drugs and medical equipment.

During the lockdown, state government vehicles are disinfecting markets and streets.

Beyond Lagos, Ogun and Osun states and Abuja there are concerns about local capacity to control the outbreak, with reports from the respected news site Premium Times that the country had only 350 intensive care units (housing up to 70 beds each) for its 200 million people. Most of those beds are in private hospitals.

Many banks and big companies are partnering with NCDC to develop mass quarantine shelters. Billionaires such as **Aliko Dangote, Tony Elumelu and Folorunsho Alakija** are contributing funds for testing kits, ventilators and building more ICUs. Former Vice-President **Atiku Abubakar**, who ran against Buhari in the 2019 elections, donated 50 million naira (US\$128,000) and suggested that an abandoned cancer centre in Abuja be converted to an isolation camp. Commissioned in 2009 by former first lady **Turai Yar'adua**, the fully furnished facility was never used and the land around was converted

into a cowpea farm.

Many worry about the damage wrought by the four-state lockdown, which accounts for over 60% of the national economy, and the ban on inter-state travel, which cuts the supply of food across the regions. They also fear that the foreign exchange crisis, triggered by the crash of oil prices to \$20 a barrel on 1 April, will push the country back into recession.

Senegal

IMF BACKS RAPID FUNDS

Baton blows to over-sociable Dakarois and raids on wedding parties were not the gentlest way for police to secure the public's cooperation with quarantine and social distancing rules in a society with long traditions of governance by consent and noisy freedom of expression. President **Macky Sall** is determined on a campaign of strict controls to get a grip on the pandemic and is sending out a strong message.

Meanwhile, the International Monetary Fund announced on 1 April that it had 'completed discussions' with Dakar on an emergency US\$221 million facility to help the government deal with its pandemic-related cash shortage. It comes before the board in two weeks.

The government doubled down on its calls on citizens to stay at home in the wake of the ill-judged decision by **Mahammed Boun Abdallah Dionne** – the secretary-general of the presidency and probably the second most powerful person in the country – to attend Friday prayers on 20 March in Touba, holy city of the highly influential *Mourides* Islamic brotherhood (AC Vol 58 No 16).

Touba became the hub of national coronavirus infection after an infected pilgrim arrived from Italy. The *Mourides'* Caliph-General, **Serigne Mountakha Mbacké**, went against the government's advice in deciding to go ahead with the act of worship, which gathers thousands together in close proximity. By contrast, the Tidjane brotherhood cancelled the *ziarra*, an important gathering in their holy city of Tivaouane.

Mbacké had cancelled all other ceremonies and raised health funds from the Mouride business community and by visiting Touba in person, Dionne sought to persuade him to do more to help with the crisis. However, ignoring his own government's advice went down badly when the police were closing Dakar mosques to the public and arresting imams who refused to comply. His lapse contrasted with the pragmatic and level-headed street-level information campaign mounted by youth volunteers in Dakar who are spreading the word about hand-washing and barrier precautions.

Meanwhile, Senegal has launched an experiment treating virus-positive patients with the anti-malarial hydroxychloroquine – having closely followed research in this area by the Marseille-based infectious diseases specialist **Didier Raoult**. This approach is being used for a group of 100 patients and if their initial progress continues, they will then receive the antibiotic azithromycin. The use of the anti-malarial chloroquine to treat Covid-19 is highly controversial, and Raoult was criticised by the French health ministry.

The World Health Organisation (WHO), however, has said these methods are worth exploring.

Mali

VOTERS SELF-ISOLATE

Maliens voted with their feet, choosing to protect themselves from the Covid-19 virus rather than cast ballots in parliamentary elections on 29 March. The turnout fell to 5% in the south and west, regions unthreatened by insurgents.

In spite of accusations of fraud and unfairness, President **Ibrahim Boubacar Keita** claims he had to go ahead with the polls because they had been delayed for over a year.

Opposition politicians and civic leaders disagreed, arguing he should have consulted the Constitutional Court. 'The result will be legal but not legitimate,' observed a local commentator.

The government imposed a lockdown four days before the poll, with a curfew, and closed social venues and bars, but it's struggling to enforce the measures.

International agencies and donors are supporting the efforts. Each region has been assigned a World Health Organisation (WHO)-supported doctor; Mali has 43 emergency medical teams. The fear is that if the disease reaches the wider population it won't be possible to control it.

President Keita's *Rassemblement pour le Mali* (RPM) will take most seats in parliament, as it did last time. The firebrand left-winger **Oumar Mariko** will probably keep his seat (AC Vol 61 No 3). Adding to the confusion was the way in which parties – even those nominally in opposition – had formed alliances in some constituencies and fought each other elsewhere.

If this failed to deter voters, news emerged of the disappearance of opposition leader and losing presidential candidate in 2018 **Soumaïla Cissé** (AC Vol 59 No 16). Some of his allies say he was abducted in the Niafunké region, where he was campaigning. Some doubt the story as he was on home ground and unlikely to have been taken by surprise.

Political eyes were trained on the *Coordination des mouvements des associations et sympathisants de l'imam Mahmoud Dicko* (CMAS), the radical imam's new party, who may be playing an undeclared role in the government's stuttering negotiations with jihadist insurgents (AC Vol 61 No 4). The jihadist leader **Iyad ag Ghali** is an old friend of Dicko's. A presidential bid in 2023 is not ruled out.

Côte d'Ivoire

BYE BYE BOOM

At the end of March, the government restricted movement between Greater Abidjan and the rest of the country. The streets of the commercial capital are almost deserted. Borders and airspace have been closed, there is a 9pm-5am curfew and markets are being disinfected after President **Alassane Ouattara** declared a state of emergency.

Prime Minister **Amadou Gon Coulibaly** has announced a CFA1,700 billion (€2.5 billion) emergency package to support the economy, whose forecast growth this year has been halved to 3.6% from 7.2%.

With 190 cases as of 2 April and a first confirmed death, Ivorian health authorities are on full alert. Gon Coulibaly – Ouattara's right-hand man and chosen successor – is in isolation after meeting someone who tested positive for the coronavirus (AC Vol 61 No 6).

Ouattara also announced a CFA96bn (€147 million) national response plan to limit the infection. The funds are meant to help set up facilities and supplies for quarantining, isolation of confirmed cases and contact-tracing.

So far there are no signs the pandemic will delay the presidential election, set for October but it could change politics. After years of boom, small and medium businesses are closing across and this agricultural exporting economy will be hit hard by an international recession.

With Abidjan a virtual ghost-town, there was anger on 17 March after the emergence of a video of 61 Chinese nationals disembarking after a layover and not being taken into quarantine – a breach of travel restrictions announced a day before.

Opposition leader and former president **Henri Konan Bédié** accused the government of breaching its own rules against meetings of more than 50 by allowing a parliamentary congress to meet in the capital Yamoussoukro. He claimed over 500 people attended.

Morocco

KING TAKES CHARGE

In the first week of Morocco's lockdown, King **Mohammed VI** ordered a show of force his late father King **Hassan II**

would have approved, calling troops and tanks onto the streets of major cities. The Palace, rather than Prime Minister **Saad Eddine el Othmani**, is running the coronavirus strategy. The government is following M6's orders. Moroccans have got the message, with 36 million non-essential workers staying at home under the state of medical emergency. The all-important tourism industry – which directly and indirectly employs over 2.5 million people and represents more than 8% of GDP and nearly double that when its impact on other sectors is assessed – has collapsed.

Royal Air Maroc's reputation has suffered as passengers were stranded when it stopped operations without warning. RAM quickly moved to cut staff salaries by up to one third.

Disinfectant teams are cleaning city areas such as Marrakech's legendary Jemaa el Fnaa square. There is little testing so far. The official version is that most infections came from Moroccans abroad or foreigners.

Finance Minister **Mohammed Benchaboun** is mobilising resources, after the conservative central bank governor **Abdellatif Jouahri** initially suggested growth in 2020 might be only a few points below previous forecasts. High Commissioner for Planning **Ahmed Lahlimi** called that 'surrealistic'. Lahlimi sees 2020 as 'the worst year for the Moroccan economy since 1999' – the year of recession when M6 succeeded his father. Ratings agencies have so far resisted a downgrade.

Poor financial management has been exposed across many sectors. The daily *Assabah* reported that football clubs were blaming the coronavirus for not paying their players and this was unacceptable abuse by the owners. Cannabis smuggling continues across the Mediterranean, stimulated by huge increases in street prices in **Spain** and other locked-down European markets.

Spanish police report an uptick in hashish and migrant traffic across the Strait of Gibraltar. In the formal sector, a collapse in Spanish output has opened the European Union to increased Moroccan exports of fruit and vegetables. Moroccan ports report little impact so far but logistics are problematic when exporting into the EU.

Algeria

PROTESTS ON PAUSE

Algerians became accustomed to staying at home during the 1990s conflict between the state and radical Islam. The extent to which they are prepared to observe the lockdown was evident from 20 March when *El Hirak* (The Movement) didn't march for the first Friday since February 2019 (AC Vol

61 No 1). *El Hirak* may have observed President **Abdelmajid Tebboune's** 17 March ban on public gatherings, but popular opposition isn't going away. Anger was stirred by Karim Tabbou's one-year prison sentence for 'incitement to violence' and 'harming national security' in statements made on his *Union Démocratique et Sociale* (UDS) party's Facebook page.

Health workers, angered by government management of the crisis, were protesting at Boufarik hospital, which serves one of the early coronavirus hotspots and where an ambulance driver was among the first announced victims.

Tebboune is governing with the *Haut Conseil de Sécurité*, a senior council of military and civilian leaders which fell into disuse during the Bouteflika years. The *Hirak* lockdown may favour hardliners in the military – where interim Chief of Staff Major General **Saïd Chengriha** has been consolidating his control with new appointments of allies – but Tebboune's government needs to open channels of communication with the opposition as it makes hard decisions (AC Vol 61 No 4). The coronavirus crisis comes as **Saudi Arabia** and **Russia's** fight for market share more than halved crude oil prices in March. Energy Minister **Mohammed Arkab** is the current Opec president, but is not seen as a major player. His efforts to urgently reconvene Opec+ talks have so far failed.

The state-dominated economy is in freefall, with a supplementary budget already in the works and spending cuts high on the agenda. Deep cuts to energy giant Sonatrach's much-needed capital spending programme and imports are planned; a return to foreign borrowing and quantitative easing may follow, to preserve foreign reserves that have fallen below \$60 billion and may be only half that by the end of 2020. Only months into the job, Prime Minister **Abdelaziz Djerad's** position is already in question, as someone must take the fall for 30% budget cuts and very little stimulus.

Tunisia

THE SPRING UNSPRUNG

The fifth most infected country in Africa, Tunisia is also the only relative success story of the 2011 Arab Spring, but there are fears that the coronavirus could destroy all that as it strikes its fragile economy.

North Africa's tight links across the Mediterranean allowed the disease to travel quicker there than to sub-Saharan Africa, which explains why preventive measures began as early as 9 March, when transport links with **Italy**, except to Rome, were stopped, and the school holidays brought forward. Subsequent measures have closed almost

everything other than food shops, banks, pharmacies, medical facilities and essential businesses. All travel was then halted and a curfew imposed.

Observance of the curfew has been patchy, and social distancing erratic. Police checkpoints in and around Tunis are much laxer during the day than at night and they have been confiscating driving licences of those judged to be driving without good reason. There has been little panic-buying and shops have limited the amounts of staples they sell to each customer.

The greatest fear surrounds the economy. Tourism, now halted, accounts for almost 10% of GDP and employs half a million people normally. Most employers have not laid off staff, but worry about paying April's salaries without government help.

On 21 March, Prime Minister **Elyes Fakhfakh** announced a \$870 million rescue package including \$400m to support private companies and \$160m to help the poor and those who will lose jobs and income. But no details had emerged by the end of March. The central bank also cut interest rates to 6.75% but businesses say it needs to go much lower.

The EU has promised \$280m to fight the virus and the economic consequences of the lockdown. Italy has separately promised another \$55m while the IMF is lending \$400m. Other support is expected from **France**, the **United States** and **Turkey**. Tunisia has an important car components industry and the lockdown of car manufacturing in Europe has left this sector in crisis. There are also major worries about agriculture.

The confinement has made life difficult particularly for the self-employed. Protestors in north Tunis on 30 March demanded government support and there are fears that riots could spread if there is no food aid or, alternatively, a relaxation of the curfew.

Libya

NO CORONAVIRUS CEASEFIRE

Unlike its neighbours, Libya reported no coronavirus cases before 24 March, a beneficial effect of the civil war restricting the movement of people and businesses in and out of the country. Now, non-combatants worry that the disease might pose a greater threat to their lives than the conflict.

As befits a country lacking a national government, reactions to the crisis have varied. The Tripoli-based Government of National Accord (GNA) and the interim government in Benghazi backed by General **Khalifa Haftar**, and the city of Misrata are imposing differing restrictions and curfew hours.

Benghazi extended its night-time curfew to a 24-hour lockdown starting on 25 March, prompting big crowds in the streets trying to stock up before the stricter curfew. The authorities rowed back and ordered a shorter confinement.

All the authorities focus on curfews and movement bans, knowing the inability of the broken healthcare system to cope with a coronavirus outbreak.

On 19 March, the GNA closed the border with **Tunisia**, telling Libyans abroad not to return. Benghazi closed the other borders, but the vast and contested southern border is leaky.

On both sides of the west-east divide, people have generally obeyed the restrictions, buying necessities during daylight hours. There has been little panic-buying and shops are full but some fear staples such as rice, flour and oil could run out soon. Government stores are reported empty. Cash is also short. There has been little other impact on an economy already in meltdown with oil exports blocked by Haftar's Libyan National Army (LNA) while the central bank fails to pay public-sector salaries.

Hopes that a ceasefire to deal with the coronavirus could pave the way to a longer peace have been dashed. The UN led the call for a pause in the fighting on 17 March, hoping it would become permanent. After procrastination, both sides agreed but quickly broke their pledges. The LNA intensified its bombing of Tripoli while GNA forces launched offensives to capture an LNA-controlled airbase near the Tunisian border and to recapture Sirte.

Egypt

ARMY STEPS UP ROLE

Egypt has been one of countries most severely affected in Africa, with cases approaching 1,000 and deaths nearing 50 as March came to an end. The first cases were linked with a Nile cruise ship in Luxor in late February. The spread within the wider community was relatively slow since then, but in the absence of extensive testing, many Covid-19 deaths could have been attributed to other illnesses.

The Ministry of Health sought from the start of the crisis to highlight its close collaboration with the World Health Organisation, and refuted claims that it was under-reporting cases and deaths. The Cairo correspondent of the London-based *Guardian* newspaper was forced to leave the country after state security objected to an article that had cited a **Canadian** research study indicating a much higher incidence of Covid-19 in the country than publicly stated.

The seriousness of the outbreak was underlined by the news on 22 March that two generals had died after contracting the disease. The two men were

photographed at a crowded briefing in early March chaired by President **Abdel Fattah el Sisi**.

Sisi made no public appearances in the two weeks after this meeting, but reappeared on 22 March to announce a series of measures designed to mitigate the effects of the outbreak.

These included a deferment of an agricultural land tax, an injection of state funds into the stock market and a loan scheme for the tourism sector. The central bank has also placed a moratorium on personal and small business small loan repayments, while cutting interest rates by 300 basis points, and the government has invited informal sector workers and the self-employed to register for a compensation scheme.

The efforts to contain the spread of the virus included effectively shutting down the tourism sector from 19 March, while ordering workers in resorts to stay in place for 14 days before returning home. Schools and universities have been closed, and an evening-until-dawn curfew went into effect on 25 March. The army is preparing to play an increasingly active role in dealing with the crisis, stepping up its logistical decontamination operations and drafting military personnel into hospitals.

South Sudan

THE FOURTH HORSEMAN

Officially, South Sudan remained one of the few African countries at the beginning of April to be free of the coronavirus, although draconian measures are in place to try to prevent its spread, including the grounding of all passenger flights and the closure of all borders, schools, colleges and churches.

The cantonment and reunification of rival military forces stipulated in the peace agreements are suspended, and there is a nationwide dusk-to-dawn curfew. How this will be enforced, while cattle-raiding and ethnic violence continue across large parts of a country with no roads and while major rebel groups still hold out against the peace deal, remains to be seen.

With a third of the population displaced at home or abroad, and over half requiring food aid, the country remains extremely fragile, and again on the verge of famine. Hopes of financing reconstruction through increased petroleum production have been dashed by the collapse of world oil prices. And as if the situation wasn't bad enough, South Sudan is currently experiencing the worst plague of locusts in decades.

Meanwhile, the Revitalised Government of National Unity stipulated by the September 2018 peace agreement is slowly taking shape after President **Salva Kiir Mayardit** finally relented –

less than a week before the 22 February deadline – and revoked the biggest stumbling block: his unilateral decision to increase the number of states from ten to 32 (AC Vol 61 No 3).

The new government is based on a six-strong collegiate presidency, with **Riek Machar Teny Dhurgon** replacing fellow Nuer **Taban Deng Gai** as first vice-president, and Taban becoming one of four (junior) vice-presidents, along with existing Vice-President **James Wani Igga**, **Rebecca Nyandeng Garang** and former South Sudan Opposition Alliance spokesman **Hussein Abdelbagi Akol**, controversially selected by Salva from five competing SSOA candidates.

There are 35 cabinet positions: Kiir's faction gets 20, Machar's nine, the SSOA three, Former Detainees two, and the grouping of Other Political Parties one. Controversially, Machar's wife **Angelina Nyajany Teny** – who has never held a military command – has taken over as defence minister from former top liberation struggle general **Kuol Manyang Juuk**, causing a slew of defections by Machar's senior commanders decrying his nepotism. The 550-member transitional national assembly still awaits confirmation, as do the ten state governors due to replace the 32 who were unceremoniously sacked.

Kenya

LOCKING DOWN POLITICS

The coronavirus pandemic will not only leave Kenyans much poorer, but also change the political landscape profoundly, according to the latest thinking. One likely casualty will be the constitutional changes advocated by the new alliance between President **Uhuru Kenyatta** and erstwhile opposition leader **Raila Odinga** (AC Vol 60 No 24).

As of 31 March, the country had reported just one fatality and 59 confirmed cases, most traceable to returning Kenyans or tourists. The figures are expected to rise for two reasons: a very large segment of economic transactions are conducted in the informal sector face to face, making it all but impossible to enforce the isolation the government is recommending. Also, city-dwellers infected but undiagnosed are fleeing to their rural homes, where they will spread the infection further.

Secondly, Kenya does not have the necessary medical preventive and surveillance capacity, let alone the curative facilities and support. Many poor Kenyans are prepared – or obliged – to take the risk anyway, trading in the open and riding in overcrowded *matatu* minibuses despite the warnings.

On 25 March, President Kenyatta finally made a long-awaited television address on the crisis, promising a raft of

economic reforms to keep the economy afloat and to provide financial relief to the most distressed Kenyans. Two days before, he had given a speech on the completion of 4G data coverage across Kenya, a misplacement of priorities which Kenyans took badly. In his address, he put the country under a dusk-to-dawn curfew and demanded social distancing in public places. Schools have been closed and public rallies banned. Kenyatta may be uninspiring himself, but the recently appointed health minister **Mutahi Kagwe** is popular and well-regarded.

Meanwhile, the economy slides. Tourism, international remittances, horticultural exports to Europe, hospitality, transport and trade have been severely hit. The Treasury had predicted a 6.1% GDP growth rate this year but most informed Kenyan economists expect lower than 3%.

At Building Bridges Initiative (BBI) rallies, intended to widen the executive arm of government to accommodate the opposition, Odinga's followers habitually sang **Lucky Dube's** 'Nobody Can Stop Reggae'. Reggae being the BBI. Now their rivals, mostly allied to Deputy President **William Ruto** are chanting 'Covid-19 Can Stop Reggae'. There is humour even in these morbid times.

Tanzania

MAGUFULI THE OUTLIER

Tanzania stands apart from its neighbours in its response to Covid-19. President **John Magufuli** has resisted imposing blanket restrictions on movement, curfews and other forms of lockdown, insisting that the work of growing the economy must continue. The public are exhorted to restrict their movements, but there is no compulsion, although there is also scant transparency on the extent of infection which may be far larger than admitted.

The president famously insisted that mosques and churches stay open, though precautions and restrictions are creeping in.

The public health challenge is immense. If the projections used in the West are correct, 66% of the population could be infected over the course of the pandemic, of whom over 90,000 could die in just a few months. The President's view that Covid-19 is just another disease, like malaria or HIV-AIDS, may come back to haunt him in the face of such casualties.

The treasury will see plummeting tax receipts across all sectors, with the possible exception of gold. Tourism has effectively shut down, probably for the rest of the year.

In the short term, the only way out will be external support for a public

health response, and a set of fiscal measures to cushion the blow on the private sector, along with foreign aid to plug the fiscal deficit.

International relations in the wake of Covid-19 will also change utterly. There will be a role for traditional donors – the IMF has \$10 billion for low-income countries that Tanzania will need to draw on. But relationships are likely only to worsen after more than four years of decline and growing hostility with the major donor countries, such as the **United States** and **United Kingdom**.

This peaked in 2019 with Tanzania's refusal to adhere to International Health Regulations for managing Ebola. Now that Western embassies have evacuated 'non-essential' personnel, in contrast to **China**, whose people remain in place, China's influence will grow. One Chinese example Magufuli is sure to follow is the strict management of public information.

Tanzania seems to have gambled on the herd immunity effect and with relatively few older people, like most poor countries, there is fewer of the most at-risk group to be taken by the disease.

Madagascar

PRE-SELF-ISOLATED

Madagascar is on few international airline routes, so Covid-19 came late to the island. The authorities were able to impose quarantine on arriving travellers early, even before the 20 March shutdown of links with Europe, and cruise ships were banned.

The authorities have also just carried out diagnostic tests on travellers who arrived in the week of 11-19 March and were then subjected to 14 days' quarantine. On 31 March some 1,319 were tested, and 925 the next day. Four who had flown from France were found to be positive for the coronavirus. The Ambatovy nickel-cobalt mine says three of its sub-contractors the tested positive in quarantine and like other mines in which **Japan's** Sumitomo is the major shareholder, it has closed down to help prevent the spread of the virus.

The political consequences of the epidemic could be uncomfortable for the often blandly upbeat President **Andy Rajoelina**, particularly in Antananarivo – the fiefdom of his main rival, former head of state **Marc Ravalomanana** until a shock government victory in November's mayoral race.

In a city substantially dependent on supplies of rice imported from Asia and produce trucked from the countryside, consumer prices are soaring – the cost of tomatoes has tripled – just when livelihoods are evaporating. Conditions are tough in the port of Tamatave which, like the capital, is under overnight curfew.

Tight controls may have slowed the

spread of the disease, but they cannot shield it from dramatic economic impacts, including the near total shutdown of a tourist industry that provides livelihoods for many rural families and some in the capital, Antananarivo. World markets for Malagasy commodity exports are weak, and a slump in consumer demand has hammered the garment manufacturers who account for most of the 150,000 jobs in the export-processing zones.

'The European market, particularly **France**, is completely shut,' says **Hery Lanto Rakotoarisoa**, chairman of the association of export processing companies. **South Africa** has also stopped importing textiles from Madagascar, while the US – a key market for Malagasy output under the Africa Growth and Opportunity Act (AGOA) – is no longer importing non-essential items.

The crisis is a fresh blow to a sector that is a key source of regular urban manufacturing employment and which had painstakingly recovered from the suspension of AGOA privileged access to the American market during the years of the undemocratic High Transitional Council regime from 2009 to 2013.

The government has granted a 116 billion ariary (US\$31 million) postponement of tax and social charges, but this provides only short-term relief.

UN/Coronavirus

TUNISIA PUSHES FOR PEACE

A third attempt to get the UN Security Council to declare the coronavirus pandemic a 'threat to humanity and international peace and security' and coordinate the necessary emergency actions is due in the next few days – this time from **Tunisia**, one of the rotating non-permanent members of the Council.

UN Secretary-General **António Guterres**, who says the pandemic is the worst international crisis since the Second World War, is to brief the Council before a vote. Previous efforts to win support for such a crisis resolution, which would give the Council special powers, have foundered over arguments about responsibility for the outbreak between **China** and the **United States**.

For Africa, there could be many benefits should Tunisia be able to win enough support for the resolution. It would commit the Council take special measures to protect civilians caught between insurgents and government forces in the Sahel and the Horn of Africa. It would also allow the Council to impose sanctions on companies and states sending weapons into war zones.

An obvious target would **Libya**, Tunisia's eastern neighbour, where a ceasefire brokered between rival factions by the UN's Guterres to help control the pandemic, quickly fell apart.

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BLUE LINES

So far, Africa has not seen the death tolls that have become daily reality in Europe and North America, but the scale of the damage to its economies from the coronavirus pandemic is becoming clearer.

On 15 April, the International Monetary Fund forecast that Africa's economy will shrink by at least 1.6% in 2020, and its real income per head will fall by 3.9%. Earlier that day the Group of 20, pushed by France's President Emmanuel Macron, agreed to suspend some debt payments due from 77 of the poorest countries. It will cover US\$12 billion of debt service, but the ministers insisted that deferred payments should be made between 2022 and 2024, along with interest accrued. This may just postpone unmanageable obligations if the IMF's forecasts of the pandemic's medium-term effects prove true.

The G-20 resisted calls to work with the UN on a coordinated response to the pandemic including a special forum on debt restructuring and finance in developing economies. Well ahead of the G-20, the IMF has cancelled debt payments from 25 countries over the next six months and allocated \$100bn for emergency loans.

Staying apart from these initiatives are the commercial creditors due to collect some \$8bn in service payments, say French officials, from 77 poor states over the next year. Banks say they are not planning any debt restructuring, warning that defaults would lock countries out of the market. Yet they will face more pressure to make concessions at the IMF and World Bank meeting on 17 April.

SOUTH AFRICA

Heroes and villains in the pandemic

The coronavirus outbreak has turned the spotlight on those in charge, highlighting successes and exposing deficiencies

With South Africa in the third week of a lockdown that may only be lifted at the end of April, and possibly not even then, President Cyril Ramaphosa and Health Minister Zweli Mkhize have been riding a wave of approval with both praised for decisive leadership in handling the coronavirus outbreak (AC Vol 61 No 7).

Mkhize's frank media briefings about the impact of the coronavirus and the harsh realities of the country's ailing healthcare system attract praise, while Ramaphosa soothes the nation by telling them he 'understands the harsh lockdown' and its effects. *Africa Confidential* understands that Mkhize and his officials have been given a free hand by the President to design the government's response to the pandemic.

The Democratic Alliance's John Steenhuisen criticised the lack of data behind the government's lockdown policy and was accused of playing politics, while the usually vocal Economic Freedom Fighters (EFF) has been reduced to toeing the line and making the occasional noise on social media. Other parties have been focusing their attention on regional dynamics, such as the Inkatha Freedom Party in its KwaZulu-Natal stronghold.

While ministers Bheki Cele and Fikile Mbalula have been at prominent on policing and transport respectively, there's been concern that they often 'confuse and clutter' messages, say ANC insiders. A recent example is of Mbalula extending the operating hours

and number of passengers allowed in taxis – the main and often unregulated transport industry for millions of people and now the main transport for essential workers. Social distancing is clearly impossible in a taxi, but no guidance has come on that.

Cele, who has been crisscrossing the country repeating that police will act against those who don't adhere to the lockdown, has been accused of being too heavy-handed. He's also drawn the ire of the powerful tobacco lobby, which has been trying to have the ban on cigarette sales lifted to no avail.

MAN OF ACTION

A rising star of the crisis is the former Youth League leader and now Justice Minister, Ronald Lamola. He has appointed former Constitutional Court judge Kate O'Regan as special Covid-19 'Designated Judge' to ensure people's private information and privacy are not compromised when the Department of Health uses mobile phone data for contact-tracing. Lamola has also been proactive in rolling out mass screenings for the coronavirus at prisons. Lamola is understood to have played a role in Cape Town magistrates deciding to donate a portion of their salaries to the Solidarity Fund to assist the vulnerable.

Minister of Social Development Lindiwe Zulu has not come out of the early days of the crisis so well. She was criticised for her handling of the social payment process. Pensioners had to queue for hours to collect their social grants. With more than 12 million people reliant

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International rivalries colour the contest to run the fight against the pandemic in Africa		The Bank president is being called to account by staff 'whistleblowers'		Chad came to the brink of refusing to take part in the regional fight against the jihadists		The need to repay Chinese railway loans has damaged Mombasa's economy		ZIMBABWE	9
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on some form of grant, the confusion in some parts of the country and Zulu's handling of it raised the ire of local advocacy groups such as the Black Sash. The Black Sash also received reports that cashiers ran out of cash on 30 March and grant payees were told to return the following day to collect their money. 'Limited cash at some grant payment channels is a systemic issue which has been worsened since the Covid-19 lockdown,' they added. After the chaos, the agency charged with making the payments has announced improvements for May.

Zulu also backtracked on her earlier decision not to allow divorced parents to see their children, saying they can now be moved between their parents' homes, despite the lockdown.

The Communications Minister, **Stella Ndabeni-Abrahams**, got into trouble after she violated the lockdown by having lunch with ANC National Executive Committee member **Mduduzi Manana** at his house. Ramaphosa placed Ndabeni-Abrahams on special leave for two months and she was made to apologise to the nation on television. The EFF has made a criminal complaint against her.

Activists worried about the safety of women and children during the lockdown have had no joy from **Maite Nkoana-Mashabane**, the Minister for Women, Youth and Persons with Disabilities. She has

had nothing to say about the dangers to women who are locked in their homes with their abusers or about the resources available to support them and other vulnerable people.

Other ministers who have been keeping a low profile since the country went into lockdown are the Public Enterprises Minister **Pravin Gordhan** and Finance Minister **Tito Mboweni**, who is believed to be working on government plans for Covid-19 interventions from his farm in Limpopo.

However, Gordhan showed his hand in another sign that the government is using the crisis as a opportunity to take a firmer line on economic policy on 14 April when his department flatly rejected the request from the 'business rescue practitioner' appointed to help rescue the ailing South African Airways (SAA) for another 10 billion rand (US\$535 million).

Mboweni made a statement on the same day saying initial measures to aid procurement, ease liquidity and enable access to debt relief during the coronavirus crisis were on track. He said Phase 2 of the economic policy response would include structural and fiscal reforms to raise long-term growth.

On the same day the Reserve Bank governor, **Lesetja Kganyago**, cut interest rates by 100 basis points to 4.25%, announcing from his living that he wouldn't hesitate to act further if the economy worsens.

OPPOSITION BIND

Malema and his party have had to content themselves with using its EFF Book Club sessions on Facebook to facilitate discussions of Ha-Joon Chang's best-selling critique of capitalism, *23 Things They Don't Tell You About Capitalism*.

The Democratic Alliance's interim leader, **John Steenhuisen** criticised

Ramaphosa's extension of the lockdown, saying the 'absence of empirical data and modelling makes it very difficult to simply agree that a lockdown extension may be an effective means to curb the spread of Covid-19.' He also warned about the dangers that the lockdown posed to the economy. The DA head of policy, **Gwen Ngwenya**, defended Steenhuisen against his detractors, saying that the question of how to lift the lockdown, and when, is a matter of debate and there was no silver bullet for this.

IN THE REGIONS

From handing out hand-sanitisers and masks at taxi ranks to doing door-to-door visits and even overseeing mobile testing, KwaZulu-Natal Premier **Sihle Zikalala** has been one of the most prominent premiers during the Covid-19 response. With regular briefings to the media, Zikalala is taking his lead from his political mentor **Zweli Mkhize**, with a proactive approach to dealing with the outbreak. KZN has the third-highest number of positive cases. Zikalala has also released a workout video on how to stay fit during the lockdown.

In the Western Cape, the DA and the ANC have been at loggerheads over how the City of Cape Town is dealing with the homeless. ANC legislature leader **Cameron Dugmore** has condemned the temporary shelter for 2,000 people at the Strandfontein Sports ground site after the alleged rape of an 18-year-old girl. Dugmore has taken up the fight with the head of the City's Safety and Security Committee, **JP Smith**, and the Cape Town mayor, **Dan Plato**. He condemned the City for its inhumane treatment of the homeless and wants the site to be closed. The party has also asked for Smith and Plato to resign. Western Cape insiders have, however, pointed out that Cameron seems to be the lone voice in the fight and that other ANC leaders have been silent. ●

AFRICA/WORLD HEALTH ORGANISATION

The war for the cure

International rivalries and empire-building are shaping the response to the pandemic in Africa

Serial financial crises and political meddling have weakened the operations of the World Health Organisation for decades but the rivalries between the **United States** and **China** over the coronavirus pandemic have taken it to new depths. Those rivalries may also undermine

the Atlanta-based Centers for Disease Control's (CDC) operations in Africa, with Washington threatening to withdraw funding and personnel if it accepts finance from Beijing.

Although the WHO is caught in this row, independent health professionals reckon that its director-general, **Tedros**

Adhanom Ghebreyesus, Ethiopia's former health minister, has managed the competing interests effectively. He is the first head of WHO from a developing country since **Brazil's Marcolino Candau** in 1953.

Tedros hired **David Nabarro**, his British rival for the post in a bad-tempered election in 2017, and has won the respect of many US health professionals. But relations with the US government nosedived after **Donald Trump's** election in 2016, and on 14 April he announced the US would cut its contribution to WHO immediately while its handling of the pandemic was investigated. Until now, the US

Congress has pushed back against Trump's calls for cuts.

In 2018/19, the US was the largest contributor to the approved budget of US\$4.42 billion, providing 14.6% of the total. Bill Gates, who immediately condemned Trump's decision to pull funding from the WHO, contributes 9.76% through the Bill and Melinda Gates Foundation.

The US's voluntary contributions, which have fluctuated widely in recent years, are entirely of the 'specified type' which ties the money to projects and programmes that its government favours.

LONG-RUN IMPACTS

In the short term, the effect of the US finance withdrawal may not be that damaging, but the longer term effects and political fall-out will be critical, if Trump prevents US state agencies from collaborating with WHO on key programmes, slowing life-saving operations and research.

So, WHO has had to scrap many programmes it used to support, mostly covering healthcare for the poorest. It also retreated from work on drug pricing.

Now, it puts a bigger emphasis on the International Health Regulations. This is the mechanism by which all countries report specifically nominated health threats, and WHO issues alerts according to information received. In effect, it means that WHO becomes the watchman for rich countries, who are paranoid about threats like the coronavirus, although they at first expected any pandemic to come from Africa, not China.

Although this is an important role for the WHO, it means the organisation's function has changed dramatically. It has also fostered disillusion in many African countries who see the WHO as becoming less relevant.

US institutions like the National Institutes of Health, the CDC, and outward-looking universities such as Harvard, Columbia and South Carolina have a strong relationship with the WHO, a frequent political sticking point has been the WHO's attempts to make medicines more affordable for the poor. That has clouded many annual World Health Assembly meetings, with the US government sending an army of lawyers to represent its interests. This usually meant stopping initiatives rather than finding solutions.

In recent years US drug companies have doubled down in defence of their corporate intellectual property. They couch it as protecting the free market against 'insurgent' drug manufacturers in India and China.

On the WHO's response to the coronavirus pandemic, many African doctors have praised the WHO secretariat in Geneva for its clear leadership. Yet there is some frustration about the role of the African Regional Office (ARO) in Brazzaville which has been hobbled by financing shortfalls and political constraints. Botswana's Dr **Matshidiso Moeti**, the WHO Regional Director in Brazzaville, is a very capable and transparent administrator but lack the funds to fulfil her mission (AC Vol 61 No 7).

Much of the Personal Protective Equipment (PPE) and testing kits being distributed in WHO's name is being coordinated via a Geneva-based task force. All the epidemic modelling for African countries is being done by a team in Geneva.

At the ARO's weekly press conference in the early stages of the crisis, Moeti was pressed on how many ventilators there are in Africa. After three weeks ARO revealed that there were fewer than 5,000 ICU beds in all of Africa, less than 5 per million. In Europe it is around 4,000 ICU beds per million. She then reported that there are 'less than 2,000 functional ventilators' in Africa.

Faced with such scant resources, and with US and European countries fighting over stocks of ventilators, Africa's front-line health workers have shifted their attention to improving the supply of oxygen to hospitals in Africa. If 80% of patients are reckoned to be asymptomatic or self-treating, then the 15% who need oxygen to survive are getting the attention. That's means little help for the 5% who need ventilating.

BRAZZAVILLE BYPASS

The WHO-ARO office in Brazzaville is run semi-autonomously from Geneva. Any country wanting to fund a programme against trachoma, for example, has to channel the work and money through Brazzaville, not Geneva.

Before the Ebola crisis in **Guinea**, **Liberia** and **Sierra Leone**, the Brazzaville office failed almost every test of transparency. As a result, donors were reluctant to finance regional initiatives and instead backed country programmes, by-passing the ARO.

In fact, UNAIDS, the UN body dedicated to fighting HIV and AIDS, was set up as a separate organisation mainly to avoid sending money Brazzaville, our sources say. Today, the Brazzaville office under Moeti ticks all the boxes for transparency and accountability. It's now getting direct funding from the donors.

This, however, is at the cost of being a more outward-looking organisation. Many see it responding first to donor demands, and only second to its African

constituents. On that score, some of the strongest criticism has come from East, Central and Southern Africa.

It was significant that the donations from China's **Jack Ma**, who runs the Alibaba empire, went to the African Centre for Disease Control and Prevention headquarters in Addis Ababa, instead of being sent to WHO-ARO in Brazzaville. The Africa CDC is part-funded by the African Union contributions from the World Bank China, **Japan**, and the US.

There is tension over the emergence of Africa CDC (and its regional offices), with some UN and African officials seeing it as a rival to WHO. It is well-financed, largely by the CDC in Atlanta, well led, and generally unhampered by bureaucracy.

It has played a central role in Africa's response to the pandemic. On communications and multilateral coordination, it has been quicker off the mark than the under-funded WHO office in Brazzaville.

That's partly down to the media-savvy of its Director, **John Nkengasong**, a virologist and CDC employee for over 25 years. He's backed up by Dr **Ahmed Ogwell**, a **Kenyan** physician who worked for the Ministry of Health in Kenya before a stint with WHO in Geneva.

Africa CDC is hoping to launch its own epidemic modelling unit in Addis in the coming days 'because things are different in Africa and we need to adjust the modelling accordingly'. And the decision has been taken that the African HQ of CDC in Addis, under Nkengasong, will be the coordinating agency for strategy and also for dealing with the multilateral agencies.

Africa CDC has a much closer day-to-day relationship with the African Union, with coordinated briefings from their senior staff at both health minister and head of state level.

But even here, the China-US rivalries are being played out. China's offer to build a \$80m centre for the Africa CDC in Addis Ababa is seen by the US as meddling. Here too, Washington is threatening to cut funding to Africa CDC if the offer from China is accepted. It's also threatened to recall the senior staff it has seconded to the organisation from Atlanta.

Senior African health officials shake their heads in disbelief at such nationalist brinkmanship. They sense that part of the reason for the rivalry is the scientific and commercial demand for the vast amounts of African genomic data that have not been systematically collected and analysed so far. It may prove vital in the quest for future vaccines and therapeutics. ●

AFRICAN DEVELOPMENT BANK

Adesina Agonistes

The Bank president is being called to account for his highly personalised management by a group of dissident bank staff

With an execrable sense of timing, the African Development Bank, the continent's biggest financial institution, is consumed by a politicised battle over the future of its President, **Adesina Akinwumi**, and his governing style. In media interviews in early April to announce a US\$10 billion fund to help African economies manage the coronavirus pandemic, Adesina was quizzed about complaints on alleged favouritism in recruitment and tolerating fraudulent procurement.

Dismissing all the claims point blank, Adesina insists they are lies and have to be seen in the context of elections for the presidency of the bank this year. He asked that the media stay out of the matter and let the bank use its own procedures to resolve it.

A list of accusations had been circulating since the beginning of the year, when a group of 'concerned staff members' submitted a formal 16-count complaint against Adesina to the bank's Ethics Committee and the Director of the Integrity and Anti-Corruption Department.

The anonymous complainants say their 'objective is to trigger investigations' into the cases, many of which they say are well known by bank staffers. They say that they 'sincerely hope' they are wrong about the cases as 'the last thing the AfDB needs is an institutional crisis.'

A copy of the document was sent to *Africa Confidential*, *Le Monde*, *Jeune Afrique* and *Radio France Internationale*. It had begun to gain wider circulation just before the AfDB locked down for the pandemic. There is even an email address: afdb_whistleblow@protonmail.com.

Then, in early April, *Africa Confidential* received a follow-up note from the group claiming that its initial complaint to the bank's Ethics Committee was being held up and it was writing directly to the Governors of the Bank, having already circulated details of the complaints to the Executive Directors.

The complainants, who describe themselves as whistleblowers, added that bank officials could not guarantee their identities would be kept confidential should they speak directly to the Ethics Committee.

Many of the whistleblowers' 16 complaints focus on Adesina's management of staff, which they say is reflected in a high turnover of directors of human resources and other senior staff. Key posts remain unfilled while the president undertakes a leading role in recruitment. They suspect countries that support Adesina's re-election have been favoured.

They also rail against favouritism towards Adesina's close associates, naming three **Nigerian** senior staffers and a **Kenyan**. They also ask why a book project celebrating Adesina's achievements, more as a Nigerian minister than as bank president, should have been given funding by the AfDB.

And so the list goes on, with charges including favouring Nigerian interests, over-spending on travel, payments to get rid of staff who are then replaced by cronies, and spending AfDB funds for lobbying missions to secure the president's re-election.

BANK CHARGES

Now it has emerged that two counter-complaints have been sent to the Ethics Committee. On 13 March, a complaint was filed against the **American** executive director of the bank, **Steven Dowd**, for 'colluding', alongside a group of other non-regional shareholders, with the whistleblowers to discredit Adesina's bid for re-election.

And in another clash at the top of the bank, Vice-President for Agriculture **Jennifer Blanke**, a **Canadian** recruited from the World Economic Forum, filed a complaint on 23 March against **Takuji Yano**, the **Japanese** executive director, for verbal abuse against one of her staff members. Yano is seen, like his US counterpart, as hostile to Adesina.

Three days earlier, the executive board discussed emergency measures to deal with the pandemic. A group proposed a resolution for all bank management meetings to be organised remotely via teleconference with the exception of the Ethics Committee. As the bank President had barred all physical meetings, this effectively would have meant the Ethics Committee could not meet. However, that resolution was thrown out.

Relations between supporters of Adesina, who had sponsored that

resolution to the board, and his critics, especially the more vocal non-regional shareholders, have deteriorated sharply this year.

Matters were not helped by a public dispute between Adesina and **David Malpass**, the President of the World Bank who was nominated by US President **Donald Trump**. Malpass had publicly warned that the AfDB was endangering its standing by lending too much without insisting on rigorous conditions. That rare public breach of solidarity between two multilaterals followed serial warnings from Trump administration officials that several African states were building up unsustainable debts.

The current situation is turning into the worst institutional crisis at the bank since the 1990s, when its veteran **Senegalese** President **Babacar N'Diaye** was battling four executive directors trying to rein in his powers. Then, as now, the primary dispute was between rival blocs of interests in the bank, exacerbated by some of the bank's non-regional directors.

A critical difference this time is that the bank's financial position is healthier. Yet like all development banks, it will be under pressure to help member states navigate the dire economic fall-out from the coronavirus pandemic. Out of regional solidarity, it will be expected to waive some onerous conditions on borrowers.

President Adesina has already issued a \$3bn social bond – the biggest from any development institution – for emergency public health projects. It was 50% over-subscribed on the London money market, usual for a triple-A rated multilateral bank.

After two years of tough negotiations, in October Adesina secured a 125% increase in the bank's capital to \$208bn, the highest level in its history (AC Vol 59 No 11 and 58 No 12). Two months later, he pulled in \$7bn for a replenishment of the soft-loan African Development Fund, which is paid mainly by non-regional shareholders.

The latest crisis comes just weeks before the bank was due to elect a new president at its annual meeting in Abidjan. It was set to be a coronation, as Adesina was facing no rival candidates and his bid for a second term had secured the public support of his own government in Nigeria, the host country, **Côte d'Ivoire**, and Ghana (AC Vol 56 No 12).

The annual meeting, scheduled for 26-29 May, has now been postponed due to the pandemic, though some are talking about holding a virtual meeting of shareholders, chiefly for the election.

'That is proving difficult – they love speeches,' commented a senior staffer. Others argue the bank's constitution doesn't allow the election of a president outside a physical meeting of all the shareholders.

As it stands, Adesina will be re-elected if he gets more than 50.1% of the total vote and a clear majority from 'regional' (African) members.

The AfDB has celebrated its successes in a flow of media releases that usually feature the president. Insiders say Adesina, formerly an agriculture minister in Nigeria, keeps a tight control

over the AfDB's communications.

The ball is now in the governors' court. They could sanction Adesina outright but this looks improbable as long as he has support from Nigeria, Ghana and Côte d'Ivoire. Other heavyweight shareholders such as **South Africa**, **Kenya**, **Egypt** and **Morocco** are focusing on the pandemic; in any case they do not have an alternative candidate.

According to some bank insiders, there will be some in-camera negotiations allowing the Ethics Committee to speed up its investigations and a critical report on

Adesina's that will wound but not kill his re-election hopes. It might also elicit some commitments to reform the bank's constitution, reducing the executive powers of the president.

That would leave the best chance for Adesina's foes to organise a mass abstention to prevent him from getting a majority. Even if they could orchestrate that, the next steps would rely on Adesina's willingness to fall on his sword. For a man who some think is planning to run for the presidency of Nigeria, such a gesture would be completely out of character. ●

CHAD/SAHEL

No more heavy lifting

A disastrous attack on Chadian forces almost succeeded in breaking up the regional alliance against the jihadists

Chad was brought to the brink of giving up its regional role in fighting the Sahel jihadists after its armed forces fought battles with *Boko Haram* on a scale not yet seen in the insurgency in Nigeria or Chad. On 23 March, 98 Chadian soldiers were killed in an attack on army positions on the Boma peninsula in Lake Chad by **Abu Musab al-Barnawi's** Islamic State West Africa Province (ISWAP) faction of *Boko Haram*. Flying in to take personal command of a counter-attack, President **Idriss Déby Itno** said this was the heaviest death toll ever suffered by government forces in a single engagement.

Addressing the Chadian public on television on Thursday 9 April after the counter-offensive the President declared, 'Our troops have died for Lake Chad and the Sahel. From today, no Chadian soldiers will take part in a military mission outside Chad,' according to AFP news agency, which added that his remarks were translated into French and repeated the next day.

Déby claimed that his offensive had killed 1,000 *Boko Haram* fighters at the expense of 52 of his own men. He claimed the action had seized two militant bases and driven the militants beyond Chad's borders. 'There is not a single *Boko Haram* person in Chad today... The few survivors have gone back into **Niger**, or **Nigeria** or **Cameroon**,' said Déby.

Déby's announcement that no more troops would be committed outside the country was soon withdrawn. By Monday 13 April the foreign ministry in Ndjamena asserted that Chad remains a full participant in the UN's **Mali** force,

Mission multidimensionnelle intégrée des Nations unies pour la stabilisation au Mali (Minusma), the G5 regional force and the Multinational Joint Task Force (MNJTF) against *Boko Haram*, a joint operation with the Nigerian army.

'Chad is alone in carrying all the weight of the war against *Boko Haram*,' Déby complained last week. Déby did not name Nigeria, but few doubted that was who he had in mind. Unlike its Sahelian neighbours with fragile economies and small armies, Nigeria has immense resources at its disposal which do not seem able to make an impression on the jihadists' regional hegemony. Abuja has not responded.

The competing demands on Chadian forces are illustrated by the fact that one of the units he redeployed to the Boma counter-offensive had originally been en route to help G5 partners in the 'three frontiers region' where Mali, Niger and **Burkina Faso** converge.

Officials in Niger pointed out that their army had provided logistical support, food and fuel for Chad's recent counter-offensive, but without Chadian involvement the G5 force would be weaker. In both the anti-*Boko Haram* theatre of war and the more central one Chad's soldiers have often been the spearhead of operations.

Nigérien forces are themselves overstretched. While *Boko Haram* continues to stage periodic attacks on towns such as Diffa and Bosso, on the border with the northernmost part of Nigeria, the country also faces jihadists in the west, with frequent attacks on border military bases and occasional raids even to the fringes of Niamey.

The Boma casualties struck a devastating psychological and physical blow to the Chadian military's anti-jihad campaign. No observer seriously believes Déby's claim to have killed 1,000 *Boko Haram* fighters. Most take it as evidence of his shock at his forces' casualties.

Déby is a skilled military commander who transformed his own fearsome militia soldiers, blooded in several hard campaigns against internal enemies and forces from Libya, into a respected regular army. In 2013 they were entrusted with pursuing *Al Qaida* in the Islamic Maghreb (AQIM) deep into the Adrar des Ifoghas in the central Sahara; three years later they ranged deep into Nigerian territory in the first MNJTF offensive against *Boko Haram*.

EUROPEAN FORCE

Déby's 9 April statement will have galvanised his European and US allies into persuading him not to give up. **France** has expanded its *Barkhane* Sahel force to 5,100 and preparations for the deployment of Special Forces from several other European countries in Operation Takouba are steadily advancing, having been authorised in a 28 March conference call by the Malian and Nigérien defence ministers and 11 EU countries (AC Vol 61 No 2).

Not all of these will contribute combat troops. The **Netherlands** and **Belgium**, for example, are likely to only send liaison officers to the headquarters in Gao.

The **United Kingdom**, which is sending 150 troops to join Minusma, and has deployed transport helicopters in support of *Barkhane*, is believed to have decided against joining the new force (AC Vol 60 No 25). In mid-March **Sweden** confirmed that it would provide 150 helicopter-borne rapid reaction troops for Takouba, with 100 more in reserve, while the **Czech Republic** has promised 60 soldiers and **Estonia** about 40. Other potential contributors are thought to include France, **Portugal** and **Denmark**. ●

KENYA

Freight storm hits the port

Fulfilling the terms of China's loans for the standard gauge railway is at the expense of Mombasa's role in the national economy

It wasn't for the drama that preceded it, the resignation of the Kenya Ports Authority (KPA) managing director, **Daniel Manduku**, at the end of March would have been as unremarked upon as his tenure in Mombasa. The third ports boss in four years, his 13-month stint at the helm was unremarkable. Ostensibly, he suddenly resigned after being accused of corruption.

However, his departure is believed to be more about his relationship with State House, the vested interests of its cronies at the port, and growing anxieties about repaying the hefty loans Kenya took out to finance the Mombasa-Nairobi Standard Gauge Railway. The contested politics of the port have become increasingly central to the country's ability to service the Chinese debt.

The port of Mombasa at Kilindini Harbour is East Africa's biggest *entrepôt*, serving not only Kenya, but also the landlocked hinterland: **Uganda, Rwanda, South Sudan**, northern Tanzania and eastern **Congo-Kinshasa**. Controlled by central government, Nairobi's politically connected business elites and Mombasa's dominant business families have long vied to secure the port's lucrative clearing and freight business. The people of the former Coast Province regard Kilindini as their patrimony, which Nairobi has long been reluctant to recognise formally. Instead of sharing port revenues with Mombasa, such as through annual rent payments, central government in Nairobi placates Coast interests by reserving for them the chairmanship, several directorships and senior managerial positions in the KPA, often including managing director.

Manduku's travails in the month leading to his resignation bordered on the Kafkaesque, an indication that he had been stepping on some very big toes. On 1 March, he was arrested and interrogated by Directorate of Criminal Investigations detectives before being locked up for the night. The investigations had begun late last year, accompanied by a very public smear campaign. The DCI chief, **George Kinoti**, confirmed Manduku's arrest to the media but when he appeared in court no charges were presented. The magistrate delivered a stern lecture

to the DCI and the Director of Public Prosecutions, telling them to set their house in order.

It was the most public indication of a breakdown between the heads of the DPP and the DCI. One faction close to State House is said to have influence over the DCI; **Noordin Haji**, the DPP boss also close to State House, appears to have been reluctant to cooperate, say Nairobi insiders, because the evidence was thin. Manduku appears to have been caught in the middle.

UNLIKELY MAN

Manduku, 48, was an unlikely candidate to take over the reins at the KPA. An architect who also holds a doctorate in business administration, he had previously applied for the job and come last in the interviews. Yet he was picked for the KPA, fished out of the relative obscurity of the National Construction Authority, a state body under the transport and infrastructure ministry headed by **James Macharia**.

Brought to the KPA to avert a boardroom crisis following the resignation of his predecessor, **Catherine Mturi-Wairi**, Manduku was initially no more than a placeholder. After further machinations, Manduku resigned when he heard that Transport Permanent Secretary **Solomon Kitungu** was on his way to Mombasa with instructions to the Board to sack him in late March.

In the midst of the turmoil between political factions in Nairobi and Mombasa over the leadership of the port and management of the rents, the port's operations were being radically transformed by the advent of the estimated US\$3.2 billion Standard Gauge Railway linking the port to the capital which was completed in mid-2017, and the loan agreements signed with China in 2013 (AC Vol 55 No 4). In order to ensure eventual repayment China made its loans conditional on a government commitment to meet specific revenue targets. In a memo to the cabinet, then Finance Chief Secretary **Henry Rotich** explained it thus: 'The Agreement will require KPA to deliver to [Kenya Railways Corporation] a specified amount of cargo, which is sufficient to meet the

loan repayments.'

Following this, the KRC, as the government's lead agency in the SGR project, signed a 'take or pay' agreement with the KPA committing Kilindini to a quota of cargo freight for the new railway. The port would have to pay compensation to KRC if it failed to meet targets for putting containers on trains. In the November 2013 cabinet memo, Rotich noted that the 'take or pay' agreement was a 'Deal-breaker for the [EximBank] bank'. He requested cabinet to grant approval for, 'Signing of the "Take or Pay" Agreement between Kenya Railways Corporation and Kenya Ports Authority and the pledging of the Rights under the Agreement to China EximBank as part of the Security package for the loan.'

A few months after the SGR's launch in June 2017 Macharia directed the KPA to transfer all import cargo to the SGR and away from the road-hauliers, who had handled 90% of cargo transfer from the port until then (AC Vol 60 No 14).

It seemed that the Chinese feared a repeat of their experience over the 1970s Tanzania-Zambia railway (Tazara), which turned into something of a white elephant because the recipient governments did not direct enough freight to the line to make it viable. A further clause in the SGR loan agreement making the Chinese loans conditional on expanding the Inland Container Depot (ICD) at Embakasi on Nairobi's outskirts, and using it as the country's central warehousing depot – making Kilindini redundant.

With a guarantee that KRC trains would carry practically all container traffic inland, the commercial viability of the railway and the state's ability to repay the Chinese loans were to be further secured by the establishment of a permanent inland dry port, which would serve as Kenya's main container terminal with freight exclusively arriving via the SGR.

INLAND ROUTE

Under the loan agreement, the Chinese specifically demand the expansion of the ICD at Embakasi on the outskirts of Nairobi.

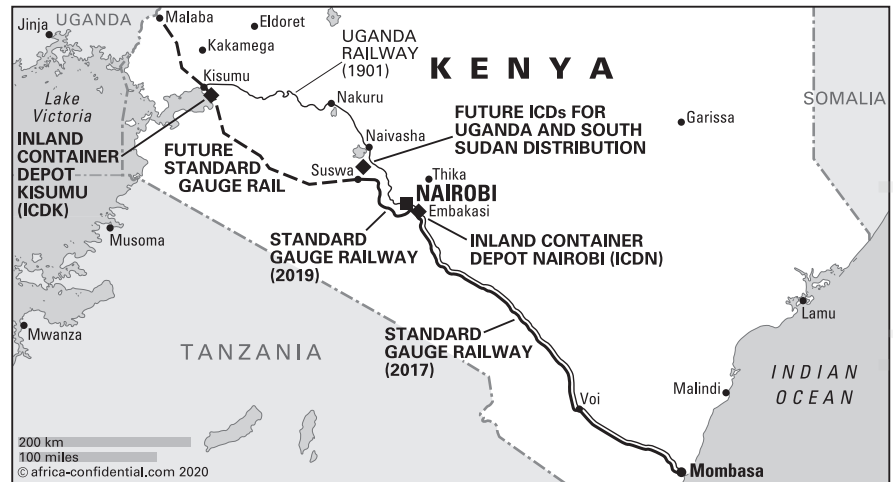
Embakasi's facilities had to be expanded rapidly to cope. Owing to problems securing the site, and serious congestion there, the KPA had to lease more land for so-called Peripheral Cargo Storage Facilities. The facility has also been plagued by inflated warehousing charges, and hidden fees, all of which have substantially raised the cost of imports. (In December last year, the DCI opened investigations into whether the tendering process to award two companies, had been done by the book.

They took a strong interest in Manduku).

Consequently, instead of containers leaving the port for any destination, they first had to go 500 kilometres inland to Embakasi, even if the final destination of the cargo lay between Mombasa and Nairobi. The loss of jobs led to resentment in Mombasa which boiled over into street protests. Macharia denied that the government was responsible for decimating the trucking businesses – uncontainerised bulk cargo, such as flour and sugar can still go by road – but the government's SGR-first policy has held fast. A University of Nairobi School of Business study published in September last year assessed Mombasa county's losses at 8.4% of its annual earnings with 17.4 billion shillings (\$170 million) in revenue losses and 3,000 jobs lost in the year immediately after the launch of the new railway. The government has consistently refused to make the terms of the Chinese finance public.

Mombasa business interests also believe they have been undermined by the construction of further ICDs to service the rest of East Africa. Last year, President **Uhuru Kenyatta** allocated to both Uganda's President **Yoweri Museveni** and South Sudan's President **Salva Kiir Mayardit** land in Naivasha to construct their own dry ports.

The SGR, which had targeted an annual revenue of \$12m to break even, earned only \$5.7m in its first year of operations, in spite of the near monopoly on freight. It continues to make a loss.



The establishment of the ICDs around the country that cost Mombasa so dear reminded KPA officials that they had been here before. When Kilindini was experiencing massive delays in 2007, it allowed privately owned Container Freight Stations to be set up to handle the cargo the port could not. The CFSs were a temporary and, at \$20m, an expensive undertaking. The business executives who profited from the CFSs included familiar Coastal business-politicos, notably the current Mombasa governor, **Ali Hassan Joho** and veteran businessman **Mohammed Jaffer**. Both men have been major backers of former opposition leader, **Raila Odinga**, and his Orange Democratic Movement. Joho, one of ODM's deputy leaders, was involved in a series of nasty spats with Kenyatta during the latter's first term.

'Many thought it was a political

bust-up. That's mistaken. It was first and foremost a business dispute,' says a Mombasa political analyst. Coastal business interests were being excluded from the freight business in the capital. However, following the historic 'handshake' between Odinga and Kenyatta in 2018, both Joho and Jaffer managed to secure CFS-style contracts in the Embakasi area (AC Vol 59 No 8).

Even if it has been driven by Chinese loan diktats, there is probably no precedent for a country to close down its sea-port in favour of an inland 'dry' port. The alacrity with which this has been done also appears to be an effort by Nairobi's elites to finally free themselves of their dependence on the Coast, even though it has increased transport costs and is wasteful of resources and the prospect of the SGR breaking even still seems distant. ●

TANZANIA

Unpopularity contest

More donors are planning to cut funds as concerns grow over diminishing civil and human rights

Tanzania has fallen out with many of the countries making development assistance grants and concessional loans since President **John Magufuli** came to power, although funds for Covid-19 relief will probably be an exception (AC Vol 60 No 2). Diplomats from donor countries first raised their concerns behind closed doors over the local elections of last November – 99% won by the ruling *Chama Cha Mapinduzi* (CCM) after widespread poll manipulation – and then in public.

The diplomats, including the envoys of the **United States** and the **United Kingdom**, objected to the detention of

journalist **Erick Kabendera**, who has since been released, and the US banned Dar es Salaam Regional Commissioner and key Magufuli ally **Paul Makonda** from travelling to the US, citing 'gross violations of human rights, which include the flagrant denial of the right to life, liberty, or the security of persons'.

With the October 2020 general elections nearing and all the signs pointing to even more extreme electoral manipulation, donors are, reluctantly, limiting their assistance and expressing disquiet.

In January the World Bank postponed a US\$500 million soft loan

to fund education programmes over Magufuli's assertion that no pregnant schoolgirls would be readmitted to school after giving birth.

Lost in the headlines, however, was the fact that the World Bank and the government had been working on a programme called Alternative Education Pathways for pregnant schoolgirls that would allow the young mothers back to school without the President having to eat his words. There has been talk that the girls may be able to sit an exam and potentially re-enter state school after taking this route. The decision to defer the loan appears to have come from the highest levels within the World Bank, apparently in an attempt to distance the Bank from any suggestion it approved of the Tanzanian government's policy.

The **Swedish** International Development Cooperation Agency (Sida) said it was cutting its aid budget to Tanzania by 25% over the next five years over 'the negative democratic developments in the country'.

However, agriculture and renewable

energy projects are still popular both with donors and the government. Renewable energy projects, in particular, are not seen as political, rather donors are encouraged to help fill the gap that the Tanzania Electricity Supply Company (Tanesco) and the Rural Energy Agency have been unable to fill. Cash for emergencies such as the current locust plague also continue without donor politics coming into play.

Other donors are also considering their positions, we hear, with USAID and the UK's Department for International Development (DFID) coming under increased scrutiny.

RULE CHANGES

Donor recipients in Tanzania report that one of Sida's main concerns centred on the ability of grantees to implement programmes due to recent government restrictions placed on that sector. Last June, the Statistics Act 2018 was amended, after considerable pressure

from donors and NGOs. It is now no longer a crime to publish statistics that contradict those published by the National Bureau of Statistics. The change gave donors increased confidence that NGOs can successfully conduct and share their research in-country without fear of a possible three-year jail sentence.

But changes brought about in 2019 changed eligibility criteria for NGOs, increased oversight powers afforded to ministers and added increased disclosure obligations around where NGOs were getting their funding from and what it was being used for.

Additionally, many donors and grant recipients bemoan the influence that the President, known for his penchant for infrastructure projects, is having on the sector. Many NGOs are having their requests for operational support denied, with donors bending to pressure from the government to direct their funding towards infrastructure investments.

Grantees told *Africa Confidential* that even after buildings were constructed, operational funding was lacking. The sources raised the spectre of the old aid horror stories where hospitals or schools were constructed but nobody funded the staff and supplies to run them.

In the coming months the sector will watch keenly to see what, if any, action DFID and USAID take, to see if they are willing to stretch beyond political rhetoric and diplomatic statements in the lead up to the general election.

The government is already retaliating against donor governments and agencies by denying visas to officials or to their families, we hear.

Disagreements between President Magufuli and the West over the authoritarian direction in which he has taken Tanzania help him politically, pundits say. The President delights in resisting foreign pressure because it casts him as a feisty defender of his country's sovereignty. ●

ZIMBABWE

Farmers back on agenda

The government is taking steps to compensate expropriated farmers while trying to make sure that the farms of ZANU-PF bigwigs are not affected

Zimbabwe's land reform programme, which ended up largely benefitting senior members of the Zimbabwe African National Union-Patriotic Front (ZANU-PF), state security and army officers and their families, is slowly being reversed by President **Emmerson Mnangagwa**. Resolving the expropriation issue is key to winning international acceptance and new finance for the regime (AC Vol 61 No 2). The changes coming in exclude several categories of owners whose properties were bought under duress or seized outright in the violent expropriation campaign. But the regime is in discussion with representatives of the expropriated white farmers and progress is being made.

The government says it will return land expropriated from white farmers protected under Bilateral Investment Protection Agreements (BIPAs). These are government-to-government mutual agreements to protect investments, but they only exist for **China, Denmark, Germany, India, Iran, the Netherlands, Switzerland, South Africa, Russia and Kuwait**, *Africa Confidential* has learned.

Some estimates put the number of BIPA-protected farms at about 800 but Treasury officials privately admit that the government does not have enough

money to compensate even them.

The current policy is that the bulk of the dispossessed white farmers will only get compensation for the 'improvements' to the land, e.g. investment in plant and equipment, and not for the land itself.

Eddie Cross, a former opposition party member who is now a critical policy advisor for Mnangagwa's government, said white farmers and the Ministry of Finance were 'close to an agreement' on compensation. Commercial Farmers' Union (CFU) executive **Ben Gilpin** noted that government did not have the capacity to compensate the rest of the farmers.

'INDIGENOUS'

Representatives of the 4,500 mostly white farmers who were expropriated claim that the new policy is a blind and offers no hope of final and fair settlement. They add that while the constitution states that only 'indigenous' farmers can be compensated, the government is treating the term to mean 'black'. Most of the white farmers were second, third or fourth generation Zimbabweans who know no other home, but are not considered 'indigenous', they say.

They added that the government's claim that black farmers whose land and

farms were seized are supposed to be getting compensation too is bogus. The CFU says compensation for expropriated land, including developments, would run to \$9 billion.

Twelve **Dutch** farmers were awarded US\$54 million in 2009 by the World Bank-backed International Centre for Settlement of Investment Disputes (ICSID) as compensation for the compulsory acquisition of their properties which had been protected by BIPA. Zimbabwe paid up after punitive actions were taken, including seizing Zimbabwe diamonds in **Belgium**.

In 2015, ICSID ordered Zimbabwe to return farms it seized from **Bernhard von Pezold** and his family without compensation in 2005.

When President Mnangagwa assumed power in 2017 he promised compensation for expropriated land would follow international best practice, implying that all farmers would be treated the same when it comes to compensation. This has proved impossible for him to honour in face of determined opposition from Zimbabwe's war veterans and from within the government and ZANU-PF. Yet, honouring property rights is held, especially by the **United States** and **Germany**, as a principle that Zimbabwe must adhere to before the full restoration of economic relations and readmission to the international community.

Zimbabwe's ambassador to South Africa, **David Hamadziripi**, told a symposium at South Africa's Department of International Relations and Cooperation in November that the US demand that Zimbabwe return

expropriated land back to former white owners would never happen. The President may even wish to return the farms, but his support base would desert him if he did, pundits say.

Most of the country's most senior officials have gone to great lengths to insulate themselves from the compensation process in regard to the farms they seized, having spotted the danger several years ago (AC Vol 55 No 15). They sought out expropriated farmers and bought the title deeds from them in private transactions. Even so, some bigwigs, who own multiple farms could be asked by the regime to give up some of the farms they have, *Africa Confidential* heard from its sources. Some, such as **Grace Mugabe** may have as many as 16 farms, only a few of which are operational.

Before Mugabe's fall from power, he had instructed then lands minister **Douglas Mombeshora** and Finance Minister **Patrick Chinamasa** to secure his own properties by compensating the dispossessed white farmers and getting their title deeds. Chinamasa had, for example, paid \$27m for five farms expropriated from Interfresh to expand a multi-million dollar orphanage and boarding school built by Grace Mugabe at Iron Mask Farm, taken from **John and Eva Matthews**.

Chinamasa personally entered into an agreement with **Richard Yates**, a white former farmer he evicted in 2003 from his 800-hectare Tsukumai Farm in Headlands, east of Harare. Yates admitted that Chinamasa had paid some compensation but reneged on a

commitment to make final payment. So Yates kept the deeds (AC Vol 55 No 15).

A divorce settlement inadvertently revealed that **Constantino Chiwenga** had secured titles to the farm he violently expropriated together with his former wife **Jocelyn**, under Title No. 582/2011.

Joice Mujuru, the sacked former Vice-President, in 2016 reached out to **Guy Watson-Smith**, the former owner of a property her family expropriated during her time in government, to negotiate compensation (AC Vol 57 No 22).

One problem for those who have sought to regularise the title to their expropriated land is that it is illegal to buy such land under the redistribution scheme. But influential members of the elite were allowed to do so with the tacit approval of the state.

Some sources expect the government soon to legitimate all private transactions under which the most important regime members secured their titles. The feeling among regime members, treasury sources said, is that some lip service needs to be paid to compensation, but they hope it will be as little as possible.

SMALLER COMPENSATION

The government has tried various ways to reduce the amount of compensation it would have to pay expropriated farmers, in the event that it would be forced to do so.

One of the most controversial is the ruling by the Supreme Court in January in the case of **Zambezi Gas Zimbabwe**

(Private) Limited v N.R. Barber (Private) Limited and another. According to this ruling, all debts incurred in US dollars can be paid back in RTGS currency at a 1:1 ratio. RTGS is the electronic virtual currency known as the 'Zollar' originally intended to be pegged to the US dollar (AC Vol 60 No 9). Representatives of the expropriated farmers have labelled as theft the ruling, which gave legal force to a government decree in February last year.

Because the RTGS is not tradeable in real life at 1:1 for the US dollar, all holders of US dollar debt have had it discounted by 10 times or much more. The land compensation bill, if it were ever paid, could come down from \$9bn to about \$500 million.

Another government move sows confusion by decreeing that former farmers can be compensated with land rather than money. Nobody yet knows what this means.

In the talks with government, expropriated white farmers are said to have acknowledged that the government doesn't have enough money to compensate them fully and that in some cases it would not be desirable or feasible to return all the farms to their former owners.

The farmers have negotiating strength because the government needs their approval in order to convince the international community that it is righting the wrongs of the past. Whether the government has yet done enough to convince either the farmers or the international community remains to be seen. ●

ZIMBABWE

Rule by rivalry

The public is becoming used to the contest for supremacy between the President and his Vice-President as it turns into a war of attrition

President **Emmerson Mnangagwa** has been locked in a love-hate relationship with the military ever since he rose to power in the military coup of November 2017. Against the supremacy of the Zimbabwe African National Union–Patriotic Front (ZANU–PF) is pitted the armed forces, loyal to the former army general **Constantino Chiwenga**, now the Vice-President. The two men have developed a deep distrust which colours everyday politics as the regime tries to lay the groundwork for an economic recovery based on international finance, whose approval remains lacking (see farms feature).

Despite their differences, both men seem agreed that they cannot accept the reforms measures that could open the door to new finance and international approval because the implications for the privileges of the elite, military and political alike, are disastrous (AC Vol 60 No 11).

Chiwenga's distrust of ZANU–PF is so great, we hear, that he is convinced that his long battle with ill-health until a lengthy stay for medical treatment in China brought him back from the brink of death, was the result of deliberate poisoning (AC Vol 61 No 5). However, such beliefs are widespread in the

fractious elite, and Mnangagwa himself was rumoured to have been poisoned in the run-up to his sacking by ex-President **Robert Mugabe** in 2017.

Before the coronavirus crisis developed – of which Chiwenga is now in charge – rumours were swirling in Harare about the possibility of another military coup (AC Vol 61 No 7). One scenario doing speculative rounds is that the military could force Mnangagwa to 'retire' in a dignified fashion after which the military would share power with the opposition MDC–Alliance leader, **Nelson Chamisa**.

Some pundits believe that Mnangagwa may have encouraged the Supreme Court in its decision to rule as illegitimate Chamisa's appointment as head of the MDC–A after the death of **Morgan Tsvangirai**. The 1 April court decision put **Thokozani Khupe** in charge of the party pending a new leadership election. Chamisa has been wooing former MDC faction leaders and trying to avoid being ousted from the MDC–A

headquarters in Harare. If the move was sponsored by the ZANU-PF leader then it has caused confusion, at least.

Mnangagwa has attempted to reshuffle the top brass in the military and the Central Intelligence Organisation (CIO) to consolidate his grip on power at Chiwenga's expense, but has failed, sources say. The changes had no effect, they say, because the more junior officers promoted to replace their superiors remained loyal to Chiwenga, or to **Valerio Sibanda**, now Commander of the Zimbabwe Defence Forces and formerly the head of the army.

WALLED IN

One senior officer told *Africa Confidential*, 'We see the re-organisation of the top brass in the army as an attempt by Mnangagwa to build a wall around himself to make himself feel secure. But the soldiers have also built their own wall around his wall.'

Ruptions started when Mnangagwa retired the generals who had masterminded the coup that brought him back to lead a civilian government in November 2017. Although initially the move was seen as an attempt to reward the soldiers for their role in the coup, it later became clear that the move was meant to neutralise them, alongside Chiwenga himself (AC Vol 59 No 22).

A key member of the ZANU-PF election campaign, retired lieutenant general **Engelbert Rugeje**, appointed the party's political commissar soon

after the coup, has been removed from that position and replaced by **Victor Matemadanda**, who is related to Mnangagwa.

Rugeje had been retired from the army along with other senior men close to Chiwenga, including Maj. Gen. **Anselem Sanyatwe**, who commanded the Presidential Guard; chief-of-staff (administration) Maj Gen **Douglas Nyikayaramba**, chief-of-staff (service personnel and logistics) Maj Gen **Martin Chedondo**; and Air Vice-Marshal **Sheba Shumbayawonda** (AC Vol 60 No 4).

These men were part of Chiwenga's inner circle, together with Sibanda, who was then ZNA commander, and Maj. Gen. **Sibusiso Moyo**, now the Minister of Foreign Affairs. Moyo's cousin, **Elson Moyo**, replaced Shumbayawonda, who had briefly replaced **Perence Shiri**, as commander of the Air Force of Zimbabwe. Most of the soldiers instrumental in the coup had been removed from barracks to administrative duties.

Some senior officers worry that some of the changes in the army may have been made at the instigation of Mnangagwa's wife, **Auxillia**, whose son, **Sean Mnangagwa**, is an officer of the Presidential Guard.

In November, Mnangagwa sacked **Aaron Nhepera** as the CIO deputy director general after reports emerged of a foiled coup. The state security portfolio is managed by the President's henchman, **Owen Ncube** (AC Vol 61 No 2, box).

Although the top brass seems able to hold its own against Mnangagwa's manoeuvres it is extremely worried by the effect of the economic crisis on its soldiers' morale and discipline. Earlier in the year Zimbabwe National Army commander Lt Gen **Edzai Chimonyo** convened an emergency meeting with senior army officers to consider growing indiscipline in the army, according to the *Zimbabwe Independent* newspaper. This included theft of food rations from barracks due to the rising cost of living, poor salaries and difficult working conditions.

Finance Minister **Mthuli Ncube** triggered an uproar when he proposed a system to provide cheap groceries to soldiers, while creating a fund from deductions of 2.5% of civil servants' salaries to offer loans to the government workers. But some analysts see Ncube's plan as part of measures Mnangagwa believes could placate the restive middle and low-ranking army officers, who have also been implicated in crimes committed outside barracks.

LOYALTY REWARDS

Mnangagwa has also been trying to shore up his position within the ruling party. In his most recent cabinet shuffle, he promoted ministers like **Paul Mavima** and **Kazembe Kazembe**, who are personally loyal to him. Many senior officials are unhappy with the wholesale changes Mnangagwa brought in after winning the August 2018 elections. ●

NIGERIA

Oil behaving badly

The clean-up of Delta oil spills is still being held up by feuding politicians, bureaucrats and businesses as low oil prices hit public finances

As oil prices crash to an 18-year low in the wake of the coronavirus pandemic, weakening global demand, and a price war, President **Muhammadu Buhari's** spending plans are being torn up. This year's budget was premised on an oil price of \$57 a barrel and production of 2.17 million barrels a day. A revised budget plan, based on an average price of \$31 a barrel and production of 1.7m bpd was sent to the National Assembly on 9 April. It slices 20% off capital spending and cuts the overall budget by 1.5 trillion naira (US\$3.9 billion) to N9.3trn.

Even that might prove ambitious on current form. Under the latest deal between the Organisation of Petroleum

Exporting Countries (OPEC) and other producers, Nigeria's quota is cut to 1.412m bpd for May and June, then up to 1.5m bpd for July to December. Citibank, one of the more bullish on oil prices, forecasts an average price this year of \$36 a barrel for Brent crude, a marker grade for Nigeria.

Despite this, Minister of State for Petroleum Resources **Timipre Sylva** is confident the price will bounce back to \$40-50 a barrel after all producers agreed to swingeing cuts. Nigeria will supplement its oil exports with over 350,000 bpd of condensates exports which he says are outside the quota.

Sylva also has to keep his eye on the fractious politics of his base in

the Niger Delta. There, those states that produce most of the country's oil will be reluctant to accept further spending cuts as the budget is redrawn. Until now, Sylva and his allies had been able to dampen dissent from militant groups through extensive patronage. That will now be at a premium.

One likely flashpoint is the much-heralded plan to clean up one of the world's worst environmental disaster zones: Ogoniland in the Niger Delta (AC Vol 60 No 18).

The rising costs and lack of results in the UN-mandated clean-up of decades of oil pollution in Ogoniland is a liability for Sylva and the government in an area of the country where its support is already thin.

Many question the role of Nigeria's Hydrocarbon Pollution Remediation Project (HYPREP) managing the work. And they are also asking pointed questions about the whereabouts of the \$360m that it was allocated.

At the beginning of the year it seems that the two boards overseeing the \$1 billion clean-up operation –

the Governing Council and Board of Trustees – had declined to release \$170m to HYPREP (AC Vol 61 No 5). This money comes from the oil companies who were operating the Shell Petroleum Development Company Joint Venture (SPDC JV), a collaboration in Ogoni between the Nigerian government and international oil companies. SPDC Managing Director **Osagie Okunbor** is a Trustee.

Royal Dutch Shell via its Nigeria affiliate SPDC (not to be confused with the SPDC JV) has a 30% stake in the Joint Venture, making its contribution \$108mn to date. The state-owned Nigeria National Petroleum Corporation has a 55% stake in SPDC JV and the remainder is split between **France's** Total and **Italy's** Agip.

The \$180m transfer is the second of five tranches, to run to 2022, we hear. There had been a hold-up after the operation was restructured and trustees wanted to know how an initial \$10m 'take-off fund' had been spent by HYPREP. The operation now comes under the Ministry of the Environment following allegations of corruption when it was under the Ministry of Petroleum (AC Vol 60 No 14).

Last May, local activists such as the Ogoni Youths Federation called on Shell to delay payments after allegations of misuse of funds by HYPREP although there had been little progress on environmental remediation. At the same time, the House of Representatives called for the Ministry of Environment's

HYPREP Account to be frozen after raising similar concerns.

In December, chairman of the Trustees, **Olawale Edun**, told the London *Financial Times* that the board had disbursed less than a quarter of the initial \$180m payment. By the end of February, Edun told the Senate Committee on Environment in Abuja, chaired by Senator **Ike Ekweremadu**, that \$43m had been released to HYPREP. That means \$360m has been transferred to the Trustees from SPDC to date, according to Edun.

DENIALS

Pushing back hard, HYPREP denies all allegations of graft or incompetence. One of its recent press releases confirms the transfer of \$360m until the first quarter of 2020 from the SPDC to the Trustees. But then HYPREP states that it has spent less than \$30m, adding another competing version of events.

HYPREP's head of communications **Isa Wasa** told *Africa Confidential* that 'funds transferred by the Board of Trustees to the Project Coordination Office to date is \$38.5m.' That is still \$4.5m less than the \$43m figure which Edun reported to the Senate.

The most recent progress report on HYPREP's website, dated last July, on the clean-up claims some work is being done as a 'demonstration exercise' and 'at no cost' to the Nigerian government. A July 2019 spreadsheet on the HYPREP website giving site-by-site updates says that the reason for delay at 7 of 21 sites

is a lack of funds.

This doesn't tally with the claimed release of \$38.5m to HYPREP. It also contradicts HYPREP co-ordinator **Marvin Dekil's** statement to the Senate in February that 'money was not the challenge'.

A report on the competitive tendering process from HYPREP dated March 2020 states that 5 of the 21 companies named on the July spreadsheet were contracted to do the work for a higher fee than the other 16. Under Ministerial Tenders Board rules, HYPREP was required to submit these contracts to the Bureau of Public Procurement for approval from the Federal Executive Council, the Cabinet, in Abuja.

The March 2020 document states that the five biggest contracts for the clean-up work – four sites in Tai/Elemo and one in Gokana – were approved by ministers in March 2019. The July 2019 HYPREP spreadsheet says that these five companies weren't doing any work as they were all awaiting payment.

Somewhere between rival bureaucrats, layers of oversight and blockages on finance, the grand scheme to clean up Ogoniland is stalling again, a quarter of a century after General **Sani Abacha's** regime hanged **Ken Saro-Wiwa** and eight other pioneering activists. With the coming clampdown on government coffers, little more progress looks likely. That will create its own political problems, for the federal and the state governments. ●

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POINTERS

Kenya

DUELLING IMPEACHMENTS

County governors have been targets in the Jubilee party's civil war between President **Uhuru Kenyatta** and his Deputy **William Ruto** (AC Vol 61 No 6). A string of governors allied to Ruto have been impeached, typically on corruption and abuse of office charges, and now, the Deputy President's allies want to return the favour by impeaching Kirinyaga Governor **Anne Waiguru** (AC vol 60 No 22). Waiguru is accused of gross violation of the constitution, abuse of office and gross misconduct, all of which she denies.

Bringing down Waiguru would be a personal blow to Kenyatta. A close ally who was dismissed as Devolution Secretary following her own graft scandal involving the disappearance of 791 million Kenya shillings (\$800,000) from the National Youth Service in 2016, Waiguru was parachuted into the Jubilee nomination for the governorship in the central province the following year and has been one of the most enthusiastic cheerleaders for the Building Bridges Initiative led by Kenyatta and erstwhile opposition leader **Raila Odinga**.

Waiguru has the support of Kirinyaga County Jubilee Chair **Muriithi Kangara** but the fight for support in the assembly will be tough. **Kinyua Wangui**, who tabled the impeachment motion, claims that 30 of the 33 assembly members support the motion.

All Jubilee members in Kirinyaga have been ordered to disassociate themselves from the impeachment motion by party boss **Rafael Tuju**.

For the moment, Tuju and the party headquarters will not have to lean on assembly members any further. The High Court suspended impeachment proceedings on 8 April because of the Coronavirus pandemic. That only offers Waiguru a temporary reprieve. Politics may be on lockdown but the Jubilee civil war will not go away (AC Vol 61 No 7).

Congo-Kinshasa

PROSECUTORS ARREST BIGWIGS

Vital Kamerhe, President **Félix Tshisekedi's** chief of staff, spent Easter in Kinshasa's notorious Makala prison following his arrest and detention without bail last week. Kamerhe, who heads the *Union pour la Nation Congolaise* (UNC) which is in an alliance with Tshisekedi's *l'Union pour la démocratie et le progrès social* (UDPS) called CACH (*Cap pour le Changement*), is accused by prosecutors of embezzling

funds meant for 'Presidential 100-Day Projects'. The projects, including the much-delayed construction of flyovers in Kinshasa, which has caused traffic chaos, were supposed to symbolise the new dynamism of Tshisekedi's presidency but most have either stalled or failed to materialise.

Kamerhe is not the only bigwig in prosecutors' cross-hairs. On 11 March, **Thierry Taeymans**, managing director of Rawbank, the country's biggest bank, was arrested and detained in Makala for alleged embezzlement, though he has since been released following backroom negotiations between **Mazhar Rawji**, the chairman of the bank's board and senior government members. On 9 April, **Fulgence Baramos**, the director general of the *Fonds National d'Entretien Routier* (FONER) was also arrested for allegedly embezzling US\$20 million.

Kamerhe's arrest may not only be about finding scapegoats for failed public projects. A corruption indictment for Kamerhe could help Tshisekedi wriggle out of his pre-2018 election agreement that Kamerhe would stand as the CACH presidential candidate in 2023.

If so, it is a strategy that is not without risk since many of the political allies of ex-President **Joseph Kabila** also want Tshisekedi indicted over the 100-Day funds. So far, though, it does not look as though Kabila will allow those accusations to proceed.

Botswana

STATE TAKES CONTROL

Lawmakers agreed to President **Mokgweetsi Masisi's** plan to extend a State of Emergency (SoE) from 28 days to 6 months over the coronavirus outbreak despite complaints that the emergency powers are too draconian. The opposition says that too much power will be concentrated in the executive's hands and it will create opportunities for corruption and abuse of power by the ruling Botswana Democratic Party (BDP – AC Vol 61 No 7).

Masisi denies the SoE presents any such danger. Leader of the opposition United Democratic Front, **Dumelang Saleshando**, told MPs that he had evidence that members of the ruling party were already awarding tenders related to the coronavirus pandemic to politically connected firms (AC Vol 59 No 6).

However, the day after a scare that some MPs had come into contact with an infected health worker who was conducting temperature checks at the National Assembly, all MPs, including the entire cabinet, went into 14 days of quarantine.

The SoE regulations state that no employees are allowed to strike during the emergency period while all

businesses still operating are no longer allowed to lay off workers.

Opposition lawmakers have also expressed concern about how much money from the huge public-private relief fund will be distributed. Businesses that have been hard hit by the lockdown are supposed to be beneficiaries of the fund through cash flow bridging finance and wage subsidies.

There are also fears that the SoE will be used to crack down on freedom of speech. Last week the police commissioner drew the ire of human rights watchdogs and lawyers when he released a statement that three men had been arrested for misdemeanours including 'offensive statement(s) against the government'.

Mauritania

AMBITION RUNS OUT OF GAS

Like leaders across the region, President **Mohamed Ould Ghazouani** is preoccupied with the fight to contain Covid-19, of which there have, so far, been seven confirmed cases and one death. At the heart of the government's response is the creation of a US\$70 million 'solidarity fund'. But the wider economic impact of the pandemic has already hit home with a delay to the giant offshore gas project that was set to generate extra revenue in the run-up to his likely re-election campaign in 2024.

The slump in world energy prices caused by the pandemic has led BP to declare force majeure and postpone delivery of the Liquefied Natural Gas vessel being built to process output from the Grand Tortue Ahmeyim field.

The project, set to diversify Mauritania's exports and sources of government revenue, was due to start production in 2022; but Golar, the Bermuda-based company contracted to supply the vessel, has announced that BP's postponement will probably last at least a year.

This is a setback for Ghazouani's hopes to finance the reform agenda promised in last June's election campaign (AC Vol 60 No 13). Having stressed the need to tackle inequality during his campaign, he had recently announced a priority programme of investment in schools, livelihoods for young people and poor families and transport infrastructure budgeted at 41 billion ouguiya (US\$1bn).

That now risks painful pruning or delay as the government braces for economic losses from the pandemic and waits to learn whether the oil-reliant **United Arab Emirates** will still feel able to provide support on the scale envisaged back in early February when it announced a \$2bn financial package during a visit by Ghazouani to Abu Dhabi.

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BLUE LINES

Concerns are deepening that authoritarian regimes in Africa are exploiting the coronavirus pandemic to crack down on oppositionists and bolster surveillance of dissidents. Activists are under attack in Uganda, where one of opposition leader Bobi Wine's political allies has been blinded by police torturers. There have been reports of coup plots in Sudan and Zimbabwe, where economic conditions are horrendous after decades of corrupt authoritarianism.

President Mutharika of Malawi has used the lockdown to quell mass protests against his government, giving him serious advantages as the country goes to the polls in July. President Magufuli was already clamping down on opposition in Tanzania before special measures against Covid-19 gave him even more opportunities to ensure the ruling party has a landslide in October.

Such assessments come as the Stockholm International Peace Research Institute's latest survey of military spending shows that African governments increased arms purchases by 17% to \$41.2 billion over the past decade, over half in North Africa, led by Egypt's security state, closely followed by Algeria and Morocco, who are still at odds over the future of the Western Sahara. South Africa was runner-up with an arms budget of \$3.5bn although it faces no insurgencies nor any serious national foes in its region. However, its military may face big cuts as President Cyril Ramaphosa tries to boost social spending as growth shrinks.

ZIMBABWE

Government close to collapse as it sends plea for cash

Senior finance officials in Washington say that grand corruption and state violence have to go before they resume economic cooperation with Harare

In an extended mea culpa on behalf of President Emmerson Mnangagwa's government, Finance Minister Mthuli Ncube has written to the international financial institutions (IFIs) in Washington saying it takes 'responsibility for the recent policy missteps during late 2019' which have led to inflation currently running at an annual rate of over 500% year.

Ncube then writes that the government and economy are near to collapse, with the coronavirus pandemic dealing the final blow. The letter, dated 2 April, came a few days after reports of a coup plot against Mnangagwa had been circulating. A security source said the authorities had delayed the lockdown in Harare for fear that dissident officers might exploit conditions to move against the president and his circle.

In the letter, a copy of which has been seen by *Africa Confidential*, the usually upbeat Ncube paints a relentlessly grim picture. 'Zimbabwe's economy could contract by 15-20% during 2020 – with very serious social consequences. Already 8.5 million Zimbabweans (half the population) are food insecure,' he writes.

So bad is the situation, says Ncube, that it could cause an implosion of the state and threaten security in neighbouring states. 'The global pandemic will take a heavy toll on the health sector, with many lives being lost and raise poverty to levels not seen in recent times, including worsening food security. A domestic collapse also would have potentially adverse regional effects, where spillovers are significant.'

Concerns in southern Africa about conditions in Zimbabwe are deepening. They might explain a call by South Africa's President Cyril Ramaphosa, at an African Union teleconference on 28 April, for Western states and the IFIs to lift sanctions against the Mnangagwa government.

STRIVE'S PLAN

On the previous day, Zimbabwean telecoms magnate Strive Masiyiwa called for urgent aid for his country to fight the pandemic. His Econet cellphone and money transfer companies have been a lifeline for many Zimbabweans.

Masiyiwa said the World Bank, the IMF and other multilateral institutions should create humanitarian trusts for Zimbabwe and Sudan, both under United States sanctions, to be managed by third parties to ensure a fair distribution of life-saving aid.

'For the avoidance of doubt; this is not an appeal for the lifting of sanctions,' said Masiyiwa. 'I don't want to get into the issues around how and why there are sanctions. Everyone knows I had to flee my country because of persecution 20 years ago.'

The state media in Harare covers every donation from business supporters of the ruling Zimbabwe African National Union – Patriotic Front (ZANU-PF) to the government's coronavirus campaign but is more reticent about contributions from non-partisan donors such as Masiyiwa's Higher Life Foundation. Earlier this year, Higher Life paid health workers' salaries

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AU pushes Africa bonds

AU finance ministers and economists are winning support for debt restructuring

Scientists unite

Without strong data, African governments are following starkly different policies

Kudos to the health workers

It is the doctors and nurses who are winning public support in the fight against the virus

How Frelimo lost a province

The government has mishandled a growing insurgency in the gas-rich north

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after the government said it had exhausted the budget.

Ncube's letter is addressed to **David Malpass**, President of the World Bank, **Kristalina Georgieva**, managing director of the International Monetary Fund, and **Akinwumi Adesina**, President of the African Development Bank. He asks them to support the rescheduling or cancellation of all Zimbabwe's foreign bilateral debt arrears and help in clearing all its multilateral arrears (AC Vol 60 No 6).

The government also needs \$200 million, says Ncube, for unplanned spending to fight the pandemic, referring to World Bank estimates that the country's financing gap is nudging \$1 billion for health, education, food security and social protection.

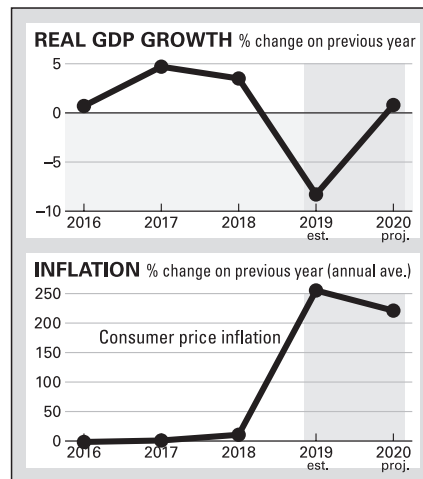
Without those funds, Ncube says, the government will have no choice but to revert to printing money, risking a return to hyperinflation and the crash of the local currency.

In exchange for the Bank and the IMF agreeing to an emergency debt rescheduling, the government promises a 'time-bound programme' of economic, political and governance reforms. Ncube, who has been at odds with Reserve Bank of Zimbabwe governor **John Mangudya**, pledges the government will introduce a market-determined exchange rate and end what he calls the reserve bank's 'quasi-fiscal operations' and its direct lending programme. It will also include all state subsidies in the budget documents presented to parliament and scrutinised by the Public Accounts Committee, he adds.

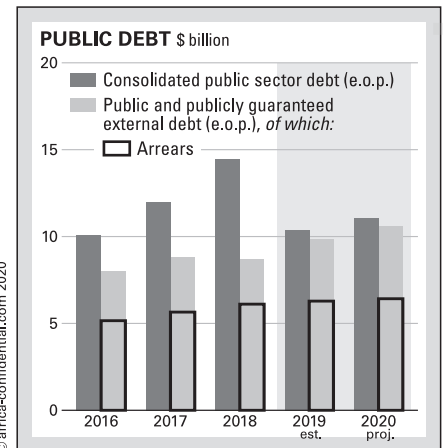
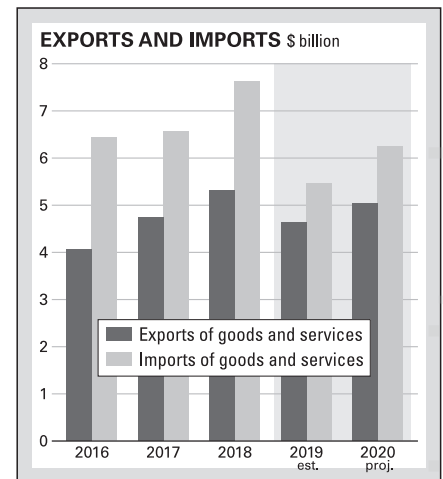
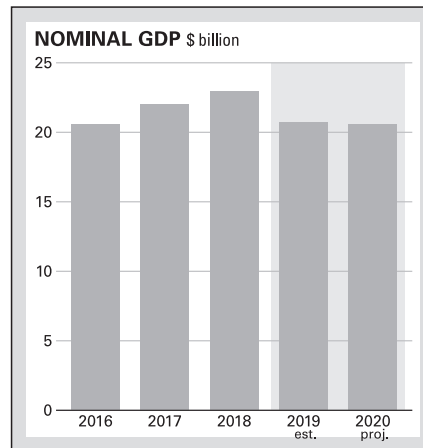
This, according to finance officials in Washington, is code for saying conditions are so horrendous that Ncube has been the given the political cover to promise a crackdown on grand corruption at the heart of the government. They add that it is well-known among banks and business people as well as foreign diplomats that RBZ subsidies to gold-mining companies have directly benefited President Mnangagwa's inner circle.

This group and senior army officers have also benefited from preferential access to foreign exchange and schemes

DEEPENING EMERGENCY IN ZIMBABWE



Sources: Zimbabwe government; IMF estimates (2020 projections do not take into account the coronavirus pandemic)



that profit from arbitrage between the official and parallel rates of the Zimbabwe dollar, the officials add. Even if he wanted to, there is no way that Mangudya could have stood up to those factions.

PROMISES

Ncube's letter also promises to 'limit the fiscal costs of the financing of agriculture, ensure transparency, and resolve all the related governance issues'. This would deal with another big leakage of state funds: the financing with zero accountability of Mnangagwa's favoured Command Agriculture scheme (AC Vol 60 No 18).

Apart from failing to boost productivity substantially – due to poor distribution of seeds and fertiliser as much as the latest regional drought – the Command Agriculture Programme has become a formidable source of patronage for Mnangagwa's ally **Kudakwashe Tagwirei**, owner of the Sakunda group of companies working with Swiss-based Trafigura to import fuel, and well as running its own agricultural projects (AC Vol 60 No 23).

One of Zimbabwe's canniest operators, Tagwirei, who financed ZANU-PF's election campaign in

2018, has evaded any attempt to limit his sprawling empire, and maintains close ties to both Mnangagwa and Vice-President General **Constantino Chiwenga** even though they are bitter rivals (AC Vol 61 No 8).

Against this, Ncube's promise of an 'ambitious anti-corruption strategy' rings hollow to finance officials. Neither do they take seriously his promises of political reform, most of whose elements have been on the government's agenda for the past five years. Ncube's final pledge to continue with 'engaging in National Dialogue' elicited the response of 'what dialogue?' from an official in Washington.

We hear that neither the World Bank nor the IMF have responded formally to Ncube's letter, nor do they intend to, despite him following up with phone calls over the past week. 'Zimbabwe is in a political, not an economic policy, crisis...without credible change on that level, nothing else will move,' concluded the official.

Failing that, the country's best hope might be for an international organisation to work with Masiyiwa's plan for an independent humanitarian trust to distribute food and medicine to the most threatened people. ●

AU pushes Africa bonds

Finance ministers and economists at the African Union are winning support to restructure the continent's official and commercial debt

Radical measures for a restructuring of Africa's commercial debt and the cancellation of some official debt are under way after the offer of a limited standstill on bilateral payments from the Group of Twenty (G-20) countries on 15 April. A team of finance experts set up by the African Union is seeking deferments of interest and principal payments and some cancellation of the continent's estimated US\$365 billion in international debt.

French treasury analysts say the G-20 offer would postpone just \$12bn of payments due this year, well short of the \$44bn debt relief that the AU team and African finance ministers are seeking. **France's President Emmanuel Macron** told Radio France Internationale that the G-20's moratorium on interest payments this year should be a first step towards more radical measures. 'We spread out the debt and perhaps in time everyone will be on board with this idea of debt cancellation,' he said.

Macron is one of the only Western leaders to have spoken out on Africa's debt problems and the pandemic, having been invited into a teleconference on the crisis by some of the continent's finance ministers. Other European Union states may back Macron's cancellation call but **China** and the **United States** vigorously oppose it for differing reasons.

Until now there has been little movement on African finance ministers' efforts to negotiate a pause on some \$16bn of commercial debt payments due this year. Their aim of setting up a common facility, a special purpose vehicle to convert the debt into longer-term instruments, had been viewed with scepticism by the ratings agencies.

DEFAULT THREAT

For now, any attempt to renegotiate payments on sovereign bonds would be classed as a default, causing the offending country to be locked out of the markets for some years, a ratings agency official told *Africa Confidential*.

However, **Vera Songwe**, executive secretary of the UN's Economic Commission for Africa, and **Tidjane Thiam**, former chief executive officer of Credit Suisse and an AU special envoy, say the main point of their plan is to head off any risk of default by setting up

a structure agreed by the main players in the market and backed by a triple-A rated international financial institution such as the International Monetary Fund or the World Bank, or one of the bigger G-20 economies.

They are working closely with **Ghana's Finance Minister Ken Ofori-Atta** and **South Africa's Tito Mboweni**, both of whose countries face escalating debt service obligations over the next five years.

The African initiative would be modelled on the Brady Bonds scheme

set up by US Treasury Secretary **Nicholas Brady** in the 1980s to deal with the debt crisis in Latin America, Songwe told Bloomberg News. That allowed banks to convert debts owed by countries into tradeable instruments, backed by the US Treasury. Under the new African initiative, the new bonds might include a five-year grace period and lower interest rates.

GUARANTORS

As the Africa Bond plan has gained traction since the Spring meetings of the IMF and the World Bank, the question of which institution would guarantee the new instruments has become key.

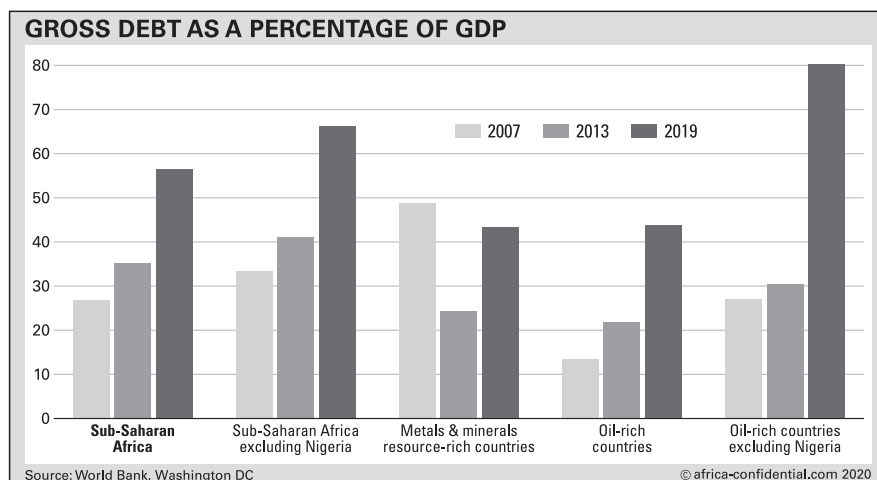
Finance experts in Washington say that today's US government under President **Donald Trump** would be unlikely to underwrite it in the way that **Ronald Reagan's** government backed the Brady Bonds in the 1980s, but that the World Bank and IMF might jointly

PUBLIC AND PUBLICLY-GUARANTEED EXTERNAL DEBT SERVICE, BY TYPE OF CREDITOR, 2018 \$ million

	Official creditors		Private creditors			TOTAL
	Bilateral	Multilateral	Bonds	Commercial banks	Other	
South Africa	0	638	10,518	720	60	11,937
Angola	4,145	93	169	2,147	812	7,366
Ghana	496	115	1,087	609	136	2,444
Kenya	675	598	259	796	1	2,330
Ethiopia	619	180	66	489	576	1,930
Nigeria	156	275	911	0	0	1,341
Côte d'Ivoire	630	75	393	4	9	1,111
Tanzania	219	169	0	501	0	889
Zambia	225	48	237	202	28	740
Gabon	174	71	157	250	0	652
Cameroon	393	93	34	82	9	611
Mozambique	301	79	0	140	4	525
Senegal	141	144	162	53	8	508
Mauritania	124	238	0	0	0	362
Uganda	90	232	0	0	0	322
Congo-Brazzaville	129	108	48	0	0	285
Congo-Kinshasa	121	162	0	0	1	284
Mali	90	143	0	0	0	233
Sudan	183	26	0	0	0	209
Benin	19	169	0	5	0	193
Chad	19	35	0	0	120	174
Mauritius	103	65	0	6	0	174
Botswana	13	151	0	0	9	173
Niger	47	68	0	0	0	114
Burkina Faso	27	81	0	0	0	108
Madagascar	36	59	0	6	0	101
Zimbabwe	36	51	0	0	0	87
Guinea	50	35	1	0	0	86
Togo	31	49	0	5	0	84
Rwanda	17	37	27	0	0	80
Cape Verde	13	34	0	9	0	56
Lesotho	12	37	0	0	0	48
Eswatini	23	21	0	2	0	46
Malawi	27	16	0	0	0	43
Gambia	11	24	0	2	0	37
Sierra Leone	9	25	0	0	0	33
Eritrea	20	6	0	0	0	26
Liberia	2	20	0	0	0	22
Burundi	0	11	0	0	0	12
Guinea-Bissau	1	5	0	0	0	6
Central African Republic	2	3	0	0	0	5
São Tomé & Príncipe	1	3	0	0	0	4
Comoros	2	1	0	0	0	3
Somalia	0	0	0	0	0	0
Sub-Saharan Africa	9,425	4,493	14,071	6,031	1,773	35,794

Source: World Bank, Washington DC

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guarantee the bonds with US consent.

Under Managing Director **Kristalina Georgieva**, who has worked on development finance with the European Union, the IMF has moved fastest to mitigate financing problems triggered by the pandemic in poorer economies.

On 20 April, the Fund offered debt relief to 25 of its poorest member countries using its revamped Catastrophe Containment and Relief Trust, through which it will provide grants to cover their debt obligations to the Fund for six months.

Fund officials calculate that official creditors have already mobilised up to \$57bn for Africa in 2020 – including upwards of \$18bn from the IMF and

the World Bank each – to provide front-line health services and direct economic support. Georgieva added that private creditors could add another \$13bn to the tally if they are willing to back proposals for the deferral or restructuring of debt payments.

Although the proposed African bond scheme would require some support from G-20 finance ministers, currently chaired by **Saudi Arabia's Mohammed al Jadaan**, most of the work on the plan is being done by the AU finance envoys, the IMF and World Bank and leading commercial banks. In the 2008 global financial crisis, it was the G-20 that played the lead role in the response plan, providing

finance and shoring up the markets. But under Al Jadaan's leadership, the G-20 has lagged behind other international agencies in its response to the pandemic.

Georgieva called the G-20's offer of a limited standstill on debt repayments this year – the accumulated interest would still be payable in 2021-22 – an important start but added that Africa 'needs an estimated \$114bn in 2020 in its fight against Covid-19', leaving a financing gap of around \$44bn according to the Fund's estimates.

Thiam has described the G-20 debt delay as 'the first step in a process of restructuring African debt that can lead to the cancellation of certain claims'. He added that the value of the 2020 moratorium will be 'much larger than \$12bn' – the figure quoted by French aid agencies.

The IMF, meanwhile, has also deferred \$213m worth of repayments. Although the G-20 offer covers the 77 poorest countries, about half of which are African, countries that are classified as IBRD (International Bank for Reconstruction and Development) with a presumed ability to access market financing are excluded from the debt standstill. For Africa, this group of countries includes **Algeria, Angola, Egypt, Kenya, Libya, Morocco, South Africa, and Tunisia**.

The move 'sets the stage for more difficult, no doubt longer-term negotiations around outright debt relief,' said **Scott Morris**, a senior fellow at the Center for Global Development.

The Institute of International Finance estimates that the world's poorest nations have some \$140bn in general government debt-service obligations due by the end of 2020, including \$10bn in foreign currency.

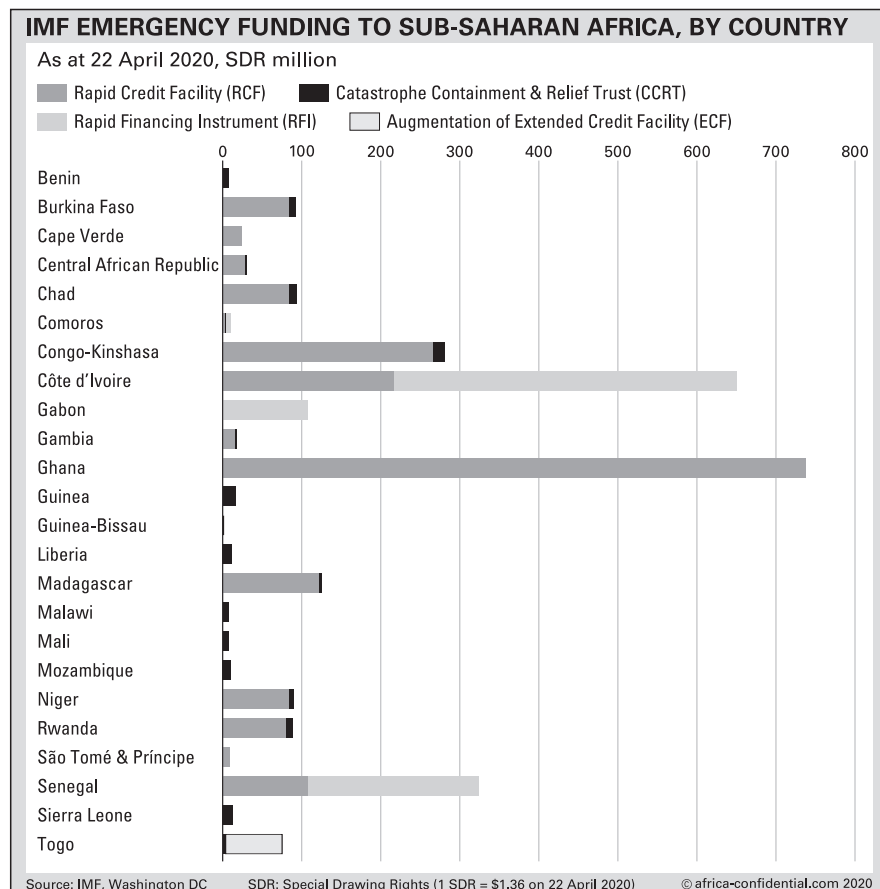
MACRON ALONE

In the meantime, international leadership away from the multilateral institutions is still sorely lacking.

In Brussels, the European Commission is ready to follow but not to lead. While EU member states are taking unprecedented steps to increase state spending at home, there is little appetite in Europe for putting 'fresh' and additional aid money on the table.

That was underscored by the EU executive's clunkily-named 'Team Europe' response package which reallocates €15.6bn worth of aid – about €3.3bn of which will go to sub-Saharan Africa – from the EU institutions, including loans from the European Investment Bank (AC Vol 61 No 8).

EU Foreign Affairs chief **Josep Borrell** has stated that the bloc will not act unilaterally on a debt moratorium.



Nor is it likely to increase official development assistance. ODA provided by the EU institutions in 2019 totalled €13.2bn, a 6.1% drop from 2018 in real terms, and sources expect the EU's development budget to be cut in favour of increased domestic spending during the coming negotiations on the EU's next seven-year budget framework.

France and Germany have been among the strongest voices internationally for a debt moratorium, and Macron has been the most vocal European voice in support of expanding the IMF's Special Drawing Rights, a move the US seems determined to block. That has prompted the IMF to explore whether existing SDRs can be used in this crisis, which would likely mean wealthier countries transferring those funds to poorer countries.

An alternative to the SDRs, touted by some, is to use the IMF's \$140bn in gold reserves. The IMF has also mooted a

COST OF THE COVID-19 PANDEMIC, BY SCENARIO

	SCENARIO A: Unmitigated	SCENARIO B: Mitigation using moderate social distancing	SCENARIO C: Mitigation using intense social distancing	SCENARIO D: Mitigation using intense and early social distancing
Cost of Covid-19 medical supply response (gap) across Africa, 2020	\$446 billion	\$335 billion	\$189 billion	\$44 billion
Africa's current health expenditure allocation, 2020	\$138.87 billion	\$138.87 billion	\$138.87 billion	\$138.87 billion
Projected increase in required health spending	321.16%	240.89%	136.09%	31.83%
SCENARIO A: Unmitigated (worst case) – no intervention. SCENARIO B: Optimal outcome when the epidemic is mitigated through interventions to limit contacts in the general population including social distancing (45% reduction in contact rate). SCENARIO C: Introduce intense social distancing measures that reduce the contact rate in the general population by 75% once 1.6 deaths per million per week trigger is reached. SCENARIO D: Introduce intense social distancing measures that reduce the contact rate in the general population by 75% once 0.2 deaths per million per week trigger is reached.				
Source: UN Economic Commission for Africa, Addis Ababa				
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revamped version of the Sovereign Debt Restructuring Mechanism proposal, which died in 2003 due to opposition from the US and China.

‘What we are concentrating on is to act decisively with what we have and where there is full consensus among

members,’ said Georgieva.

The IMF announced that it will now have \$1 trillion lending capacity for its members, but even this may not be enough due to the enormous demands it faces. So far, 85 countries have already applied for emergency funds. ●

COVID-19/WORLD HEALTH ORGANISATION

Scientists unite

The leading world health agencies are closer now, but in the absence of strong data African governments are following starkly different policies

No doubt without intending to, **United States President Donald Trump** succeeded in dissolving many differences between the World Health Organisation and the pre-eminent US public health institution, the Centers for Disease Control (CDC), when he cancelled funding for the WHO and pointed an accusing finger at Director-General **Tedros Adhanom Ghebreyesus** for his role in the global pandemic (AC Vol 61 No 8).

President Trump then clashed publicly with the CDC's **Robert Redfield** on 22 April and the happy result was a new convergence of the two global health bodies.

After the Trump intervention, the WHO lost no time in providing global guidance on the disease. It launched the ‘Access to Covid-19 Tools (ACT) accelerator’, describing it – in an implicit rebuttal of the President's remarks – as a ‘landmark collaboration to accelerate the development, production and equitable distribution of vaccines, diagnostics, and therapeutics for Covid-19’. The launch was addressed by heads of government including **French President Emmanuel Macron**, **German Chancellor Angela Merkel**, and **South African President Cyril Ramaphosa**.

The US was not represented. All the leaders present signalled their strong support for Tedros and the WHO.

Away from the global picture, Covid-19 in Africa continues to present difficult dilemmas. There had been hope that the apparent slow rise in cases was because of some unique dispensation, such as warm weather or a lower age profile than Europe, but this gave way to a realisation that this will be a long struggle. With that came heightened anxiety in ruling circles.

HUMAN COST

Mothballing the formal economy and suffering the economic consequences is one thing, but when the inevitable corollary is also the crashing of the informal economy, then starvation and serious political unrest become serious possibilities.

Of the 15 members in the Economic Community of West African States (Ecowas), 10 are in lockdown and five in partial lockdown. **Ghana** recently lifted restrictions in its major cities but placed a ban on gatherings of more than 25 people, and closed markets across the nation.

Sources within Ecowas's West African Health Organisation (WAHO),

which is based in **Burkina Faso**, confirm that high-level discussions are under way with a range of multilateral institutions on measures to mitigate hunger within high-density areas.

Speaking at a WHO Regional Office for Africa webinar last week, **Sani Aliyu**, of **Nigeria's** Presidential Taskforce on Covid-19, reported how the government was trying to send support in the form of vegetables and rice. ‘But it is a drop in the ocean in reality,’ he said.

TANZANIA FEAR

On the other side of the continent **Tanzania** opted for no lockdown, President **John Magufuli** fearing that if he did shut down the economy he wouldn't be able to start it again (AC Vol 61 No 7). While officially implementing social distancing, he refused to advise mosques and churches against normal worship practices.

There are indications that the coronavirus has spread widely in the general population and caused many casualties in Tanzanian cities, although much of the evidence is anecdotal and hard to verify because of extensive government strictures on independent reporting. It has fined newspapers and TV stations and forced the latter to broadcast apologies for criticising the decision not to lock down. **Mwananchi** newspaper's website was closed down for six months for showing a photo of Magufuli in the middle of a crowded marketplace.

Several leading figures from the **Chama Cha Mapinduzi (CCM)** political party have not been seen for some time and, at the time of

going to press, the government had failed to announce the daily case numbers for the past five days. The President himself is in quarantine in his village.

Social media is awash with reports of night-time funerals and mass graves on the outskirts of Dar es Salaam. Private hospitals have been forbidden to take Covid-19 patients, with all suspected cases directed to an upgraded general hospital in the city. Most of the recent cases in Uganda are reportedly truck drivers who have arrived from Tanzania and Kenya.

At East African Community level, two Presidential Summits on Covid-19 have been cancelled. The latest should have taken place on 21 April, but South Sudan's President Salva Kiir Mayardit pulled out. The EAC Health Minister forum has also failed to meet. How much of this is due to distrust of Tanzania is unknown. Zimbabwe is suffering knock-on effects, with significant amounts of essential supplies it ordered apparently stuck at the Tanzania-Zambia border. With Zambia in lockdown, nothing is being allowed through.

Health authorities across the

continent are also aware of potential unintended consequences of the measures against the virus causing death from other diseases and conditions.

In 2019 there were 213 million cases of malaria and 260,000 deaths. Recent analysis suggests that if the current efficient system of distribution of insecticide-treated mosquito bed-nets collapses, the death rate could double in 2021.

Also, one in four African children is under-immunised. Because of social distancing, most vaccination work has had to be curbed, which is likely to have serious long-term implications. ●

NIGERIA

Kudos to the health workers

Despite grandstanding by some senior politicians, it is the doctors and nurses who are winning public support in the fight against the coronavirus

Criticisms are mounting about the lack of a coherent national strategy to manage the coronavirus pandemic. The missing piece is effective leadership from the national task force, led by **Boss Mustapha**, Secretary to the Government of the Federation, and Health Minister **Osagie Ehanire**.

Unlike South Africa's President **Cyril Ramaphosa**, who has used the health crisis there to reassert his leadership position, President **Muhammadu Buhari** has made just three broadcasts on the emergency in the past two months.

Although the authorities in Lagos and Abuja have developed an effective response plan run by health professionals with wide-ranging international experience in epidemics, their work has been held up by a lack of testing facilities and protective equipment.

Nigeria's number of confirmed coronavirus cases – 1,532 and 44 deaths by the morning of 29 April – is little cause for consolation as just over 10,000 of the country's 205 million people have been tested. That's one of the lowest testing rates in the world.

It's not clear why it has taken so long to set up mass testing capacity after the commercial and political capitals and Ogun State went into lockdown on 30 March. Officials speak of a 'managed acceleration' but their efforts are lagging behind the testing rates in Ghana or South Africa, which has put tens of mobile testing facilities in the country's nine provinces.

The closure of four hospitals because of contamination in the elite areas of Lekki and Victoria Island in Lagos raises concern about poorer parts of the country. In particular, there have been reports of a spike in deaths from 'mystery ailments' in the northern commercial capital of Kano, the second-most densely populated city after Lagos.

Buhari locked down Kano state yesterday after the unexplained deaths of 640 people in two weeks. The state governor, **Umar Ganduje**, insists the deaths are due to malaria but locals say that is supposition as there is little testing for the coronavirus in the city. More people are testing positive in other centres such as Gombe, in the north-east. And there has been one case of a foreign aid worker testing positive in one of the many camps for people displaced by the insurgency in the north-east. That carries huge risks, given the poor sanitary conditions in many camps.

HEALTH LEADERS

Two key professionals have emerged as leaders of the public health fight against the pandemic. The first is director of Nigeria Centre for Disease Control (NCDC), **Chikwe Ihekweazu**, who led the country's successful management of the Ebola crisis in 2014 and now heads the team of health professionals on the task force in Abuja set up to tackle the pandemic (AC Vol 61 No 6). The other is Lagos State Commissioner for Health **Akin Abayomi**, a specialist in haematology, environmental health

and biosecurity.

Before his appointment as Health Commissioner in Lagos, Abayomi was working at the Nigerian Institute of Medical Research in Yaba, which is now a key resource centre in tackling the coronavirus.

Politicians have had a more chequered record. Successive state and federal governments have underfunded the public health system: an average of about 5% of the national budget was spent on public healthcare over the past decade, compared with the African Union's benchmark of 15%.

One reason why the public health system has been so neglected is that the elite use private facilities and go abroad to treat more serious ailments. The inability of the health system to respond to epidemics was also noted at the time of the Ebola outbreak in 2014, although at that time aggressive controls prevented it from taking hold in Nigeria (AC Vol 55 No 16).

In a terse speech, President Buhari extended the two-week lockdown in Lagos and Ogun states and the Federal Capital Territory on 13 April.

As complaints mount about job losses and food shortages, Buhari is under pressure to ease the restrictions. At least 10 of Nigeria's 37 states were enforcing some form of lockdown but some of those, particularly in the south-east, are ending them due to the economic fall-out. However, they still lack data about the trajectory of the virus.

Local business barons, in a blaze of publicity including adverts on foreign cable news channels, have joined forces to finance medical equipment, special facilities for health workers and paying into a hardship fund for workers who have lost their livelihoods during the emergency.

Forbes-listed billionaires and captains of industry **Aliko Dangote**, **Folorunso Alakija**, **Femi Otedola**, **Herbert Wigwe**, **Tony Elumelu**, and **Ibukun Awosika** have offered billions

of naira in donations to help speed up medical outreach and the building of facilities. The European Union has also given a €50m grant.

The death of **Abba Kyari**, chief of staff to the President, on 17 April of organ failure after contracting the coronavirus has heightened concerns. There was public outrage when some senior officials attending Kyari's funeral breached the government's own safety protocols.

Politicians and heads of parastatals holding meetings on the pandemic have failed to maintain social distancing. Mustapha and his task force have been repeat offenders.

As a measure to support the most vulnerable households during the pandemic over the next four months, the federal government has begun disbursing N20,000 (\$52) grants nationwide.

While the presidency claims to have identified 10.6 million such people, the National Assembly has been demanding to know the criteria for the selection of the vulnerable people. **Maryam Uwais**, presidential advisor on social investments, claims the lawmakers' criticism follows an attempt to control the list of beneficiaries.

ACTING GOVERNORS

Lagos, the epicentre of the pandemic in Nigeria, is trying to repeat its relative success with Ebola in 2014. State governor **Babajide Sanwo-Olu** has held frequent and detailed briefings alongside health professionals. His government has organised contact-tracing despite stretched facilities. But a local group, the Centre for Democracy and Development, accuses the Lagos government of favouring its supporters in allocating resources.

In Delta state, which extended its lockdown for two more weeks on April 14 after recording three cases, Governor **Ifeanyi Okowa** has also set up isolation centres around the state, and acquired more than a dozen ventilators. On 28 April he announced a partial lifting of the lockdown to allow economic activity to resume.

In the north, Bauchi, which has six cases, has shut down schools and instructed religious gatherings to practise social distancing, but that directive has been ignored.

Seyi Makinde, the youthful governor of Oyo sometimes described as the new face of the opposition PDP, has converted a public stadium in Ibadan into the country's first drive-through testing centre. It is the second such centre in Africa. The centre started operations with an initial set of 2,000 testing kits donated by Awosika, chair

NEW ECONOMICS, NEW ORDER

Two impossible things happened on 28 April – underscoring the extent of the economic and public health emergency. Nigeria secured a US\$3.4 billion loan from the International Monetary Fund repayable over 3-5 years at 1% interest with minimal policy conditions. The loan is the biggest the IMF has made under its Rapid Financing Instrument so far.

For over three decades, Nigeria's governments have declined to apply for IMF credits, rejecting the conditions such as devaluing the naira as 'too onerous'. Under the RFI, the borrowing country is required 'to cooperate with the IMF to make efforts to solve its balance of payments problems' and 'to describe the general economic policies it proposes to follow'.

On the same day, the Senate in Abuja took just five minutes to approve a request from President **Muhammadu Buhari** to raise 850bn naira (\$2.2 bn) from the domestic capital markets. It waived its right to refer the request to the finance committee.

For now, the twin emergencies faced by the country have sidelined partisan rivalry in parliament and rendered many policy arguments irrelevant, with the economy forecast to shrink by between 3.4% and 9% this year.

The heat has gone out of arguments over devaluation, after central bank governor **Godwin Emefiele** allowed a phased depreciation of the currency (AC Vol 60 No 13). **Mele Kyari**, managing director of the state-owned oil company, Nigerian National Petroleum Company (NNPC), abolished fuel subsidies just days before the market price for Nigeria's Bonny Light crude fell to under \$20 a barrel.

Although there are sharp differences between Emefiele and **Doyin Salami**, who leads the President's Economic Advisory Council, and Vice-President **Yemi Osinbajo**, the crashing oil prices and revenue crunch are driving more cooperation.

Osinbajo, relieved of his economic coordination role by Buhari after last year's elections, has been brought back to chair the Economic Sustainability Committee. Its primary role is budget planning, assessing which of the \$25bn of capital projects will have to be suspended. The list includes the \$5bn Mabilla power station, which has become a signature project for Buhari, regardless of cost or sustainability.

Also on Osinbajo's committee is Emefiele, Finance Minister **Zainab Ahmed**, the NNPC's Kyari, Minister of State for Petroleum Resources **Timipre Sylva**, and four other key ministers: **Chris Ngige** (labour); **Niyi Adebayo** (trade and industry); **Sadiya Farouq** (humanitarian affairs); and **Babatunde Fashola** (works and housing).

If growth and revenues continue to plummet, this committee could become the leading policy coordination body. In part, that will be determined by the President who has been hit hard by the death from Covid-19 of his chief of staff, **Abba Kyari**, on 17 April.

There is no obvious successor in view, certainly none who shares Kyari's capacity for seven-day working weeks, a 40-year friendship with Buhari and their agreement on policy goals. The following names are contenders but few expect a quick decision:

- Colonel **Hameed Ali**, Comptroller General of the Nigerian Customs Service: a former Military Governor of Kudu State who is well-regarded by Buhari;
- **Ahmed Rufai Abubakar**, Director of the National Intelligence Agency: a close friend of Kyari's and utterly trusted;
- **Babagana Kingibe**, former foreign minister and intelligence specialist: long experience in government and close to Buhari's nephew **Mamman Daura**, and long seen as a presidential contender;
- **Ibrahim Gambari**, former foreign minister and ambassador to the UN: a unifier with good international network;
- Brigadier **Mohammed Buba Marwa**, former military governor of Lagos state and founder of Albarka airline: popular and knows security from the inside;
- **Adamu Adamu**, education minister: cerebral polyglot and worked with **Mamman Daura** on the *New Nigerian*; his pro-Iran views might grate with **Saudi Arabia** and **United States**;
- **Muhammad Bello**, Minister of the Federal Capital Territory: an efficient administrator but may lack the required political savvy. ●

of the First Bank of Nigeria.

Rivers state governor **Nyesom Wike**, de facto leader of the PDP, ordered the arrest on 7 April of two pilots with a private helicopter company and their arraignment before a magistrate's court after they flouted an executive order

barring any activity through the state's land, air and sea borders. But Aviation Minister **Hadi Sirika** hit back, saying his ministry had given permits to the flights in the interest of national security, and that aviation laws were the preserve of Abuja, not Port Harcourt. ●

MOZAMBIQUE

How Frelimo lost a province

The government has mishandled a growing insurgency in the gas-rich north of the country. Many fear it is now too late to regain the initiative

The latest massacre by an Islamist militia in the remote north of the country and its occupation of two coastal towns have thrust a simmering rebellion centre-stage, but the government is scrambling for answers.

At the village of Xitaxi, 52 young men who refused to join the ranks of the insurgents were massacred in cold blood, most of them beheaded, during the first week of April, Mozambican police told the media on 21 April. This was but two weeks after the insurgents seized two towns in Cabo Delgado province overnight in a brazen demonstration of their strength.

The attacks are now so widespread that the state cannot penetrate large areas of the province. Poorly motivated and paid local army and police usually retreat when confronted by the militia,

which arms itself with their abandoned weapons. Maputo has called in private military contractors from **South Africa** and **Russia** but they have done little better (see box).

CONFLICTED

Maputo has appealed to the region for help, but not too loudly. The crisis was mentioned at the African Union summit in February, but it never came before the AU's Peace and Security Council or the Southern African Development Community's equivalent body, the Organ on Politics, Defence and Security. To the world, Maputo claims the insurgency is foreign inspired and the work of 'criminals', and prevents all independent reporting.

One journalist, radio reporter and civil society activist **Ibraimo Abú**

Mbaruco, was believed detained on 7 April, and has not been heard of since. Media sources say he is being maltreated in custody.

Since January, especially in the north-easternmost corner of the nation, along the border with **Tanzania** where the gasfields are located, up to 200,000 people have been displaced as security has worsened and the guerrillas have increased their operations.

At least 45 attacks have been recorded since 1 January. An NGO specialising in analysis of low-level conflict, the Armed Conflict Location and Event Data Project (ACLED), says over 900 people have been killed in almost 400 incidents since October 2017, with the steepest increases following Cyclone Kenneth last April and May. The devastation that hit food supplies and agriculture then, according to security experts Intelyse, caused the militants to ramp up their attacks and secure their own supplies.

The insurgency is now believed to have affiliated itself to Islamic State (IS or *Da'ish*), which most see as opportunism on both sides. IS is anxious to counter reports of its demise in the Middle East while the insurgents desire association with the most feared jihadist organisation in the world. Since last June, IS has claimed responsibility for 31 attacks and posted photos and commentary about some of them. Islamic State Central Africa Province (*Wilayat Wasat Ifriqiyah*) was only previously linked to attacks in **Congo-Kinshasa**. How much of the insurgents' improved military performance is owed to its connection to IS remains speculative.

The insurgents want to be popular as well as feared. While local authority figures, such as headmen, administrators, teachers and other adjuncts of the secular state are targeted, in the past two months the insurgents have also given advance notice of attacks. They engage community members and encourage compliance with Islamic law, while threatening punishment for collaborating with the state.

TACTICAL SHIFT

The capture of Mocímboa da Praia on 23 March and of Quissanga two days later marked a major change in tactics. The guerrillas did not indiscriminately murder townspeople, and they broke open shops to distribute food and other goods, ending up leading them in song before they departed. Local security forces were assured that if they gave up their weapons their lives would be spared, which is what occurred. Reports say that the leader of the insurgent force was a Mozambican army officer who had defected.

THE MERCENARIES FLY IN

The inability of local security forces to deal with the insurgency has driven Maputo into foreign arms. Last November, following agreements between President **Filipe Nyusi** and President **Vladimir Putin** at the **Russia-Africa** summit in Sochi in August, the Russian private military contractor, the Wagner Group, came to Cabo Delgado and was soon in combat. During one confrontation it lost five Russians in an ambush in November. After about a dozen of its men were reportedly killed, several of them beheaded, Wagner abandoned the front line and has since been flying drones for surveillance of the insurgents, we hear.

Wagner was disappointed in its liaison with the army, especially after being ambushed by insurgents wearing national army uniforms. The Russians soon learned that the insurgents had infiltrated local security forces and had advance information on their movements, security sources said.

Yet President Putin is believed to be strongly committed to Wagner's presence in Mozambique. The Kremlin sees ample economic opportunities in Cabo Delgado. In the Soviet era, Russian surveyors discovered valuable mineral resources there.

A former defence minister, **Atanásio Mtumuke**, the business partner of fellow Makonde general and liberation hero **Alberto Chipande**, is thought to be the power behind the invitation to Russia to help with the security problem, and he is anxious to help them invest in natural resources in the province.

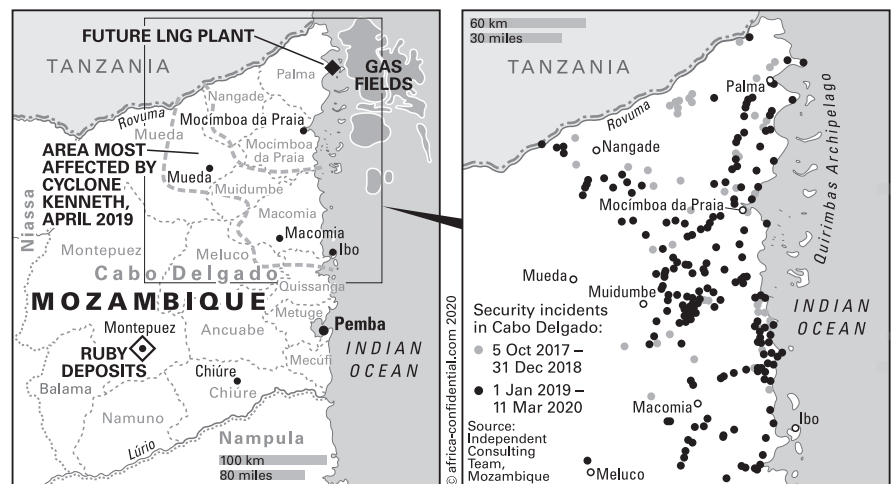
Negotiations are understood to be ongoing for several types of mining licence, and shipments of orders from Ministry of Defence company Monte Binga with Russian arms company Rosoboronexport have been arriving in Mozambique.

In early April, **South Africa**-based private security contractor Dyck Advisory Group entered the picture, working under what one source believes was a US\$15 million contract with the national police. DAG began by attacking insurgent camps with helicopter-mounted machine guns but on 10 April one of the aircraft was hit by ground fire and made an emergency landing, when the crew destroyed it to prevent it falling into insurgent hands, according to South African media.

DAG remains active, but its involvement may be illegal under South Africa's Regulation of Foreign Military Assistance Act. At the time of publication it was still unclear whether DAG had secured the necessary political cover and authorisation to continue. ●

Local confidence in the government's ability to provide basic security has collapsed and calls to arm local militia have not been heeded (see box).

Unconfirmed reports from Mueda district in early April claim former Frelimo guerrillas accessed weapons from a local armoury and confronted insurgents in Muidumbe, killing as many as 30. As *Africa Confidential* went to press, reports were also emerging of a rare success for the government, when specially trained troops from Maputo engaged the guerrillas and inflicted heavy losses on them in a battle on the coast near the island of Ibo during the week of 14 April. The government says it killed 131 insurgents in the first two



FROM SLOW BURN TO INFERNO

The capture of the towns of Mocimboa da Praia and Quissanga, along with the massacre of 52 people in Xitaxi in the northern province of Cabo Delgado, are the most spectacular actions by the insurgents yet, but they have long been coming. Their presence, organisation and violence have been building for five years. Just how Islamist the insurgents are remains controversial, even though they fly the black flag in video press releases.

The first Islamist group to claim operations in Cabo Delgado was *Ansar al Sunna* in 2015, also later known as *Ahlu Sunna wa Jamma*. The two may have morphed into a claimed affiliate of the Islamic State (IS, or *Da'ish*), Islamic State Central Africa Province, and are often known locally as *Al Shabaab*, although no authoritative source believes they are connected to the Somali Islamists of that name. The insurgents have studiously avoided adopting a unique label and all these titles may be flags of convenience.

Ironically, it was in Chai, Macomia district, Cabo Delgado – now one of the hotspots of the current conflict – that *Frente de Libertação de Moçambique* hero General **Alberto Chipande** fired the first shot in the war of liberation from Portugal in September 1964. Chipande is now 80 and honoured as a member of the country's supreme Council of State. He has profited hugely, like many of Makonde ethnicity in the senior ranks of Frelimo in the province, from contracts, concessions and other state-awarded largesse (AC Vol 54 No 8 & Vol 55 No 14). They have done especially well, Frelimo sources say, since **Filipe Nyusi**, a fellow Makonde from Cabo Delgado, became president (AC Vol 55 No 16).

Experts warn against seeing the insurgency as an outgrowth of IS. 'Like *Boko Haram*, or similar movements in deprived parts of Africa, the grievances are well-known, home-grown and have been festering for many years,' says veteran Mozambique specialist **Joseph Hanlon**. The perception of inequality in the province is extremely strong, Hanlon points out, and is of long standing. The Macua and Mwani people of the area are mostly Muslims who speak their own languages and Swahili, unlike the mainly Christian Portuguese-speaking Makonde, who are a minority in the area but were set over other local people by the Portuguese in a typical example of colonial divide-and-rule.

The area has been swept by outbreaks of mass hysteria, such as a belief that vampires in the elite wanted to drink or sell poor people's blood. Fear that anti-cholera campaigns were in fact intended to spread the disease led to health teams being attacked. 'Local people do not simply believe the elite despise them, but that they want to kill them too,' says Hanlon. It helps explain tactics like beheading, he says.

Itinerant Salafist preachers from further up the coast, as well as imams educated in Saudi Arabia, built on local perceptions that clerics of the historic Sufi tradition and Ismailis, grouped in the official Muslim Council, were complicit with the corrupt power structures. Jihadists also came to southern Tanzania and Cabo Delgado to escape heavy repression in Kibiti, Tanzania (AC Vol 58 No 22). Followers of Kenyan militant preacher **Aboud Rogo Mohammed**, who was assassinated in Mombasa in 2012 – allegedly by a covert Kenyan police unit – also drifted in to the sparsely populated region (AC Vol 53 No 18).

The insurgency began, like guerrilla movements everywhere, with a nucleus of fighters attacking isolated police posts, capturing their weapons, and using them to mount bigger and bigger raids. The culmination of this process came with the capture of Mocimboa da Praia on 23 March, when the rebels overran the local military base and sealed exits to the town overnight while they ransacked it for supplies, arms and ammunition, setting fire to banks and government and Frelimo buildings.

Another important factor in the insurgency are the criminal and informal economic networks. Smuggling across the Tanzanian border, much aided by the opening of the Unity Bridge over the Rovuma river in 2010, is a major local employer as is the illegal logging and export of local timber, charcoal, drugs smuggling and artisanal mining of rubies and sapphires.

As well as taxing the informal economic networks, the militants can use them to recruit fighters. Some analysts say the line between the objectives of the Islamists and these networks is difficult to draw.

The local police and military have never been effective forces and have been thoroughly infiltrated. In skirmishes they tend to run away, although they have also been accused of indiscriminately retaliating against villages where they believe attacks originated, burning down homes and carrying out extra-judicial killings.

A stark illustration of the bankruptcy of the state's counter-insurgency policy came with the arrest and detention of **André Hanekom**, an elderly white South African long-resident in the northern port of Palma, in August 2018. The prosecutor accused him, along with two Tanzanians, of leading the Islamist insurgency and paying the salaries of the fighters. One theory says he was targeted because local elite members had designs on the land he owned. In murky circumstances he died in prison, along with the claims that the bearded Boer was an Islamist militant, in January 2019. ●

weeks of April, which independent sources judged credible.

ExxonMobil's 7 April decision to postpone its final investment decision on its LNG project is disappointing news for the government, and could add five years to the eventual coming on stream of the plant, previously predicted for 2025. The company is massively curtailing investment worldwide in the wake of the Covid-19 pandemic and Mozambique was an obvious choice for a cut, industry sources said. Investments by France's Total

continue, however, as do those of Italy's ENI, whose Coral South Floating LNG plant is assumed to be less vulnerable to terrorist attack.

The government has deployed 500 soldiers to protect the LNG sites and sent 300 more because the companies demanded them after insurgent attacks rose this year. While foreign companies have their own security personnel, government security forces usually provide perimeter protection. After the seizure of Mocimboa da Praia, Total recalled all its offshore vessels.

No one familiar with the conflict has confidence in the ability of government forces to contain, let alone roll back the insurgency. As for the oil companies, the pandemic has shaken all previous assumptions – they may even put the LNG projects into cold storage. If that happens, pundits say, the already vast distance – it's 2,700 kilometres from Maputo to Pemba, centre of the gas operations – will increase further in the minds of the government, leaving Cabo Delgado even more to the mercies of the insurgents. ●

SOUTH AFRICA

Unpacking Cyril's stimulus

Economists question whether the immense Covid-19 relief package will just help business or the wider population

President Cyril Ramaphosa's 500 billion rand (US\$26bn) stimulus to sustain South Africa's already precarious economy during the Covid-19 lockdown has been welcomed by business and opposition leaders, but not unanimously. To many it's another example of his towering leadership qualities, but others see the package as a missed opportunity to tackle the country's strategic economic problems while providing relief to business and citizenry alike.

Some doubt whether it will be enough to soften the massive economic shock for the majority of the population and prevent major tax increases next year to plug a gaping hole in the budget.

While South Africa's total of under 5,000 Covid-19 infections and just less than 100 deaths is the highest in sub-Saharan Africa, it is not only far lower than the average in Europe but the pandemic is also at an earlier stage. Scientists say that South Africa's peak for infections may not come until September (AC Vol 61 Nos 7 & 8).

Former ambassadors, captains of industry and political commentators of influence, mainly white, have praised Ramaphosa's handling of the crisis since the lockdown began on 27 March, his announcement of the economic stimulus package on 22 April and the plan to marginally ease restrictions in the first two weeks of May (AC Vol 61 No 8).

It's a different story in the densely populated black townships and informal settlements where social distancing is all but impossible. Many there await food handouts and are at the receiving end of often harsh, even brutal, treatment from police and soldiers mandated to

enforce the lockdown.

Last week's deployment of 73,189 troops – in addition to 2,280 already assigned – to assist the police in maintaining law and order represents on paper the largest mobilisation ever of the South African National Defence Force.

Domestic violence has proliferated during the lockdown, sporadic looting of liquor and grocery stores has become more frequent, while some 400 schools have been burned or damaged by marauding youths. It is the poor who are most affected by the controversial ban on the sale of cigarettes and alcohol, which was justified by medical evidence that they raise the risk of severe complications from Covid-19. The ban has reduced alcohol-related hospital admissions by 5,000 a week, however, allowing medical staff to focus on tackling the pandemic.

POLITICAL BACKING

Critics have pointed to the risk of fuelling parallel markets in illegal alcohol sales and illicit distilleries. Heavy-handed enforcement of the rules, and reminders of the apartheid era ban on black people drinking in public, caused fears the regulations would lose public support, but there is political backing across the board for the measures. Plans to lift the cigarette ban on 1 May have even been attacked by the African National Congress Women's League and the opposition Economic Freedom Fighters (EFF), citing the infection risks of 'puff 'n' pass' – the practice of sharing cigarettes.

Over a million jobs could be lost in a country that can ill afford to add to an unemployment rate of almost 30%,

with youth unemployment of up to 50% in some provinces.

Assembling the stimulus and relief package took three weeks after the lockdown was imposed, leaving the majority of workers and unemployed without earnings and without support.

The package was presented as a massive stimulus for the economy and relief for business, workers, the unemployed and the poor, but commentators on left and right are suggesting it is a bail-out for business and the 'haves' rather than relief for the 'have-nots'.

The package is vague on details of how it will be funded and how the hole in the budget – estimated at between R64.8bn (\$3.5bn) and R236bn (\$13bn) – would be plugged.

Respected left-leaning economist **Duma Gqubule** said the stimulus was a missed opportunity. Instead of a consolidated plan to address long-term issues in health, public transport and social security, he said it was a 'band-aid solution' that was taking away with one hand and giving back less with the other. Gqubule said the package was 'a woefully inadequate humanitarian response for millions of South Africans who go hungry every day'.

About 14 million of South Africa's 56 million people lived below the food poverty line in 2015. According to current estimates, some 30 million South Africans are in food distress under the lockdown.

Government has budgeted for only 250,000 food parcels. Business initiatives and the National Solidarity Fund, with contributions of around R3bn from companies and high-net worth South Africans, are expected to help fund the food programme.

Of the R500bn stimulus package, only R160bn, which represents 3.2% of GDP, will be generated directly by government. The poorest will receive R500 each for the first month and R325 per month for six months thereafter, while the balance of the R160bn will go on health aid, sanitation, housing,

feeding the homeless, child grants and other welfare grants.

R130bn of the overall package will be financed by further cuts to the national budget presented in February. Insiders say these cuts will come from provincial and local grants for social infrastructure including housing, water and transport, although the pre-pandemic budget already contained cuts to these items of R100bn.

The remaining R200bn – in the form of 80% loan guarantees from the South African Reserve Bank to encourage banks to lend to businesses affected by the lockdown – does not involve any up-front cost to government.

Finance Minister **Tito Mboweni** is expected to table an adjustment budget in the next few weeks which will also revise downwards the 0.9% GDP growth for the year to an estimated -7% to -10% range. The budget deficit is expected to increase from an anticipated 6.8% of GDP previously to 13.8% and debt as a percentage of GDP from 62% to 80% (AC Vol 61 No 6).

Gqubule argues that the government's fiscal stimulus is more like an austerity budget that will have little impact on GDP growth, with the National Treasury's net contribution of R30bn, representing 0.6% of GDP, compared to the average 2.9% spend by G-20 governments (AC Vo 61 No 8).

Michael Sachs, a Wits University adjunct professor and former head of the budget office in the National Treasury, has called on government to

use its entire balance sheet – including R2 trillion managed by the Public Investment Corporation (PIC), the asset manager for the Government Employees Pension Fund and the Unemployment Insurance Fund – to bail out the economy. According to Sachs' estimates, the GEPIF had assets worth R1.6trn, the UIF had a surplus of R130bn, the National Revenue Fund had assets of about R240bn, while the Reserve Bank had foreign exchange reserves of R800bn.

Sachs said the UIF could be used in full and R75bn could be released by the GEPIF. Government would fund itself for eight months without borrowing on bond markets and the Reserve Bank could engage in quantitative easing – buying bonds on the primary market. Up to now it has done so only on the secondary market.

In addition, financial institutions have assets exceeding R8trn and could be directed to allocate a portion to developmental investments, he said.

In announcing the package, Ramaphosa shattered a taboo by disclosing that South Africa had applied to the International Monetary Fund, the World Bank, the National Development Bank and the African Development Bank for loans to help fight the coronavirus (AC Vol 61 No 7).

The IMF is anathema to the trade unions and the left because the Fund's historic strict conditionality on neo-liberal principles, although they no longer apply as they did in the 1980s and

1990s. The loans applied for are strictly limited to a Covid-19 funding window at this stage. In terms of its quota, South Africa could apply for R80bn (\$4.3bn) from the IMF to help plug the budget hole left by the package.

Opposition parties were broadly supportive of the stimulus package, with the Democratic Alliance welcoming the phased lifting of restrictions and the IMF loan plan. The EFF rejected both initiatives but backed social relief plans.

'GROWING HOLE'

Analysts are sceptical as to whether government – particularly local government, which is in a moribund state in many towns and cities – has the capacity to implement the package.

'While positive, the package is chasing a growing hole,' said **Peter Attard Montalto**, head of emerging market research at Intellidex, adding that there was an urgent need for government to be open with investors, so as to build credibility in the package and the narrative around it.

But the question uppermost in the minds of investors is whether the pandemic will trigger the restructuring of the South African economy to prevent it descending into an irreversible debt spiral.

As South Africa faces several years of deep recession and negative growth the choice appears increasingly stark: either it will restructure its own economy or the IMF will make it a condition of any bailout. ●

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POINTERS

Kenya

THERE WILL BE BLOOD TESTS

■ After a decade of financial scandals, the Kenya Medical Research Institute, whose duties include Covid-19 testing, is back in the spotlight over the dismissal of the doctor in charge of testing – allegedly for not delivering test results quickly enough.

Health Minister **Mutahi Kagwe** is believed to have ordered Dr **Joel Lutomiah** replaced as chair of the Kemri Coronavirus Rapid Response team, but the government insists he resigned after being disciplined for having ‘failed in [his] duty to honour a matter that is of national importance’. At the time of going to press, Kenya had 374 cases and 14 deaths.

Lutomiah’s colleagues say that he was dismissed for questioning the government’s commitment to fighting the pandemic and complaining about a shortage of personal protective equipment for those conducting the tests.

Kagwe, who earned plaudits for his early handling of the pandemic despite having only been appointed in February, was summoned to appear before the Senate Health Committee this week, where he denied firing Lutomiah. He said the scientist was transferred to another department with the knowledge of Kemri’s chief executive (AC Vol 61 No 7).

Despite having the largest testing capacity in Kenya and successfully supporting Ebola testing in the region, Kemri has been in financial difficulties since 2010, when US\$7 million was misappropriated and many long-serving staff lost their pensions. Former Director Dr **Davy Koech** was sacked at the time and charged with swindling over \$200,000 from the institution and diverting \$3.4m from its pension fund. Trial has been repeatedly postponed. Koech claims he is innocent.

Gabon

BONGO RETURNS

■ President **Ali Bongo Ondimba** is trying to reassert his authority after months of recuperation following a stroke in November 2018. The chief of staff at the Presidency, **Brice Laccruche Alihanga**, was arrested for having ambitions above his station. Now, **Serge Mickoto**, who was for 10 years head of the sovereign wealth fund, the *Fonds Gabonais d’Investissements Stratégiques*, has been sacked (AC Vol 60 No 25).

Mickoto supervised the purchase of France’s BNP Paribas’s 37% stake in the country’s second-largest bank, *Banque*

Internationale pour le Commerce et l’Industrie du Gabon (BICIG). BNP Paribas got just €39 million from the sale, less than expected.

BNP Paribas, which is pulling out of Central and West Africa, was warned by the **United States** Department of Justice about its business practices in Gabon during a sanctions busting case against the bank in 2014. These included BICIG’s operation of special numbered accounts on behalf of senior Gabon officials into which oil companies paid some of their royalties. Finance officials in Libreville say that **France’s** Total, which has also been selling its assets in Gabon, and Perenco, a privately held French oil company, operated accounts with BICIG but said these were for wholly legitimate reasons (AC Vol 58 No 2).

Helped by electricity company official **François Ombanda**, Perenco negotiated a lucrative contract to supply gas from Port Gentil to the Owendo power station serving the capital. It has followed this with the purchase of several offshore oil fields suggesting a strengthening relationship with Bongo’s government.

Plans for joint investments in real estate between senior political figures and commercial entities such as Perenco, using outfits such as *IMP Conseil* and *Compagnie du Komo*, which already have impressive property portfolios in Europe, have prompted some business attention. There is particular interest in the new owners of the Hotel du Collectionneur in Paris. They took over the property on 1 January via the French-registered *Société Immobilière et Hôtelière du Parc Monceau*. The identity of the beneficial owners of this entity is hidden behind a network of trusts and joint-stock companies, according to company records in Paris.

Lesotho

THABANE OUT OF TIME

■ The cornered Prime Minister **Thomas Thabane** continues to cling to office but looks to have run out of options. After several days of talks mediated by **Jeff Radebe**, South African President **Cyril Ramaphosa’s** special envoy, after Thabane sent troops onto the streets of Maseru, the ruling All Basotho Congress and opposition Democratic Congress struck a deal to form a government. They have the numbers to pass a vote of no confidence in the premier. In return, Thabane gets what Radebe described as ‘a dignified, graceful and secure retirement’. Provided, of course, he is not convicted at his impending trial for murder (AC Vol 61 No 7).

Thabane’s only hope rests on King **Letsie** III agreeing to dissolve parliament and call fresh elections. After the constitutional court overturned

Thabane’s decision in March to suspend parliament for three months, lawmakers moved quickly to pass a constitutional amendment bill which prevents any premier from doing the same. On 28 April, the 33-member Senate approved the amendment which also gives parliament a more meaningful role in its own dissolution while also providing a structure for the appointment of a new prime minister.

The monarch is not thought to have been pleased with Thabane’s unilateral prorogation of parliament. Thabane can resign and take the ‘dignified exit’ offered by Radebe, or be embarrassingly pushed out by a vote of no confidence.

South Sudan

WHO WANTS THE OIL?

■ There is mounting international concern at the delays in implementing the latest peace agreement, and that President **Salva Kiir Mayardit** is flouting the spirit of the deal. The Intergovernmental Authority on Development (IGAD), the regional body overseeing the process, wants a new Transitional National Assembly and new state governments to be fully operational in May.

Angelina Nijany Teny, the wife of First Vice-President **Riek Machar Teny Dhurgon**, who was controversially appointed as defence minister, recently refused to obey a summons to appear before the National Assembly’s Covid-19 committee, claiming that parliament was no longer constitutional under the peace agreement (AC Vol 61 No 7). Covid-19 is believed not yet to be widespread.

The parties haven’t yet agreed on state governments and governors because the Sudan People’s Liberation Movement in Opposition (SPLM-IO) and other groups in the Transitional Government of National Unity insist that under the power-sharing formula Salva only gets to appoint five governors. He is insisting, however, upon six. He feels that his agreement to reduce the number of states from 32 to 10 was compromise enough (AC Vol 61 No 3). He is currently trying to push through ‘caretaker’ governors.

The opposition also objects to Salva’s creation of an additional three ‘administrative areas’, Ruweng, Abyei and Pibor. Most controversial is Ruweng, which just happens to be the main oil-producing area of Unity State. Unity State is the Nuer heartland, but Ruweng is composed of two mainly Dinka counties. The move is seen as blatant gerrymandering by Salva.

The other factions also complain that Salva has appointed a new central bank governor and deputy and several new ambassadors by presidential decree without consulting the vice-presidents.

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BLUE LINES

More than 20 African countries were due to hold elections in 2020. But electioneering is difficult and organising polls fraught with problems against a backdrop of lockdown measures to control the coronavirus pandemic.

Ending the lockdown is the only way to return to free elections. The absence of such tough restrictions explains why Burundi and Benin are planning to hold polls in the coming weeks and why Guinea's Alpha Condé pressed ahead with a referendum on 22 March giving him the right to stand for two more terms.

For others, postponing polls could lead to a legitimacy crisis. In Ethiopia, Prime Minister Abiy Ahmed is facing an angry backlash over his use of a parliamentary vote giving him a questionable extension of his mandate to stay in power beyond September, after he postponed elections due in August.

Malawi faces Hobson's choice: hold the presidential election rerun on 2 July, as instructed by the Constitutional Court, without any campaign rallies, or defer them and allow President Mutharika to stay in power beyond his term.

For authoritarian leaders, Covid-19 offers the perfect excuse to delay polls. Uganda's Yoweri Museveni says it would be crazy to hold elections while the pandemic is raging.

The conditions for party politics to restart are unlikely to be in place for at least a few months. For Ghana and Côte d'Ivoire, where elections are due in October and December respectively, that means a waiting game.

COVID-19/WORLD HEALTH ORGANISATION

The plot against Tedros

After failing to oust the WHO chief, Washington is focusing on protecting its commercial rights to a Covid-19 vaccine

African diplomats are pushing back against an attempt by **United States** officials to undermine **Tedros Adhanom Ghebreyesus's** leadership of the World Health Organisation (WHO) ahead of its general assembly in Geneva, which is due to open on 18 May. They have singled out the role of US ambassador in Geneva, President **Donald Trump** appointee **Andrew Bremberg**, who accuses Tedros of bias towards **China**.

In a statement of 13 May seen by *Africa Confidential*, African ambassadors in Geneva condemn the campaign 'from certain political quarters' seeking to discredit Tedros and the WHO. Given that he is **Ethiopian**, it adds that there is an 'unfortunate racial undertone to the criticism'.

With a sideswipe at the US government's management of the pandemic at home – it has the world's highest casualty rates with 83,225 deaths and 1.24 million recorded cases by 13 May – the African ambassadors added: 'Failures at the national level should not be attributed to the WHO... now is not the time for petty bickering and blame-shifting. We are all in this together and solidarity is the imperative of the moment.'

The WHO's World Health Assembly (WHA) was due to address how international measures against the coronavirus pandemic could be better coordinated and more help for countries with weaker health services provided.

US officials led by Bremberg want the Assembly to discuss Tedros's leadership and claims of bias towards **China**.

US officials have been demanding Tedros give Taiwan full observer status at the coming Assembly. On 12 May, the US Senate passed a resolution in support of the move. A motion from **Belize** demanding Taiwan's admission to the WHA is likely to disrupt proceedings and trigger a spat with **China**.

After Taiwan elected **Tsang Ing-Wen** as its new President in 2016, its government rejected Beijing's 'One China' policy, under which Taipei had accepted observer status at international gatherings. It now wants representation as an independent nation and has the support of the Trump administration.

Despite its loss of observer status, Taiwan still takes part in all the WHO's specialised meetings and technical committees. It seems Washington wants the Taiwan issue to add to its wider pressure on Beijing over its handling of the initial outbreak of the coronavirus.

Tedros says any decision on Taiwan is not his to make, only that of the Assembly as a whole.

COMPROMISE

European diplomats, many of them critical of US officials' attacks on the WHO in the midst of the pandemic, have been trying to formulate a compromise resolution at the Assembly which endorses Tedros's leadership and accepts the need for an 'independent and comprehensive evaluation... of the WHO-coordinated international health response to Covid-19', according to a draft seen by *Africa Confidential*.

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On 22 April, Ambassador Bremberg tried to organise a meeting with African ambassadors in Geneva to express US concern about what it called the 'lack of independence' of WHO.

Bremberg has been trying to negotiate either the removal of Tedros or an agreement that he should be barred from a second term in 2023. The numbers are against Bremberg. Tedros was elected Director-General of the WHO in 2017 by 133 of the 185 member states, including all of Africa, China and others.

During a phone call with **Anatole Marie Nkou, Cameroon's** Ambassador to the UN in Geneva who coordinates health affairs for the African diplomatic corps there, Bremberg asked if he could help arrange a platform to speak to the African diplomats about US policy.

When Nkou told other African ambassadors of Bremberg's overture, it was unanimously rejected, along with an emphatic condemnation of US tactics by **South African** Ambassador **GJ Mtshali**. Nkou was told to reaffirm to Bremberg Africa's unanimous support for Tedros's leadership of the WHO stated on 10 April.

A White House staffer, advising the President Trump on domestic policy, Bremberg was nominated for the UN role in Geneva in September 2018, although it took until October 2019 for his posting to be confirmed in the US Senate, 50-44. Two Republicans voted against him due to his opposition to abortion even in cases of rape. In Geneva he has cut an awkward figure,

given the importance of women's rights and reproductive health in the UN's development programmes.

Bremberg's failure to win any significant support for his campaign against Tedros follows growing criticism of the US government, including from many US opposition politicians, of its decision to suspend funding for the WHO in the middle of the pandemic.

Insiders at WHO headquarters say the many long-standing relationships between the organisation and US research institutions has been unaffected. **Robert Redfield**, director of the Atlanta-based Centers for Disease Control and Prevention, quickly disassociated his organisation from President Trump's attacks on the WHO.

An insider at the WHO told us that 'the sense is to just keep the wheels moving through to November and then if Trump loses, the problem will go away, and if he wins, then he is likely to forget about us anyway'.

The loss of US contributions to the WHO is not as crippling as might have been intended because Tedros has concentrated on diversifying its funding away from dependence on member states. Currently the US is about \$200m in arrears on its membership dues.

GLOBAL LEAD

Beyond the skirmishing over Taiwan's status, there are bigger issues about the international handling of the pandemic. Attempts to get the UN Security Council to declare the pandemic a matter of international security foundered on US insistence on referring to the disease as the 'Wuhan virus' and China's opposition.

In 2014, it was US insistence on getting the Ebola epidemic declared an international security issue at the UN that triggered co-funding from many countries for emergency assistance and the establishment of a special committee to coordinate operations among UN agencies on healthcare, drugs and equipment, food supply and logistics.

So, a draft resolution being prepared by European Union members, **Australia**, **New Zealand** and **Zambia** for the WHA on 18 May reasserts the constitutional mandate and 'the leadership role of the WHO and the fundamental role of the UN system in catalysing and coordinating the comprehensive global response to the Covid-19 pandemic.'

More controversially, from Washington's point of view, the resolution calls for the 'universal and equitable access to all quality health technologies and products in response to the Covid-19 pandemic as a global priority.'

It continues to state that the supply of these drugs must be consistent with the relevant international treaties and flexibilities 'including the Doha Declaration on the TRIPS Agreement and Public Health.' Put simply, this clause requires any commercially produced vaccine against Covid-19 supplied through the UN system to be made available cheaply.

Such a stipulation might undercut the hope of stratospheric profits among some of the biggest pharmaceutical companies should they win the race to develop the first effective vaccine. The contract to supply vaccines to some 7 billion people would be record-breaking and there is already fierce competition among rival teams of researchers to make the breakthrough.

Last week, an EU initiative raised \$7.8bn to fund vaccine research – an effort conspicuously boycotted by the US government which expects its privately funded research institutions to work independently, spurred by the incentive of massive financial gains.

At the same time, China, which has studiously stepped away from the US-Africa dispute over Tedros, is pushing ahead with its own research for a vaccine. Last month, US Secretary of State **Mike Pompeo** accused Beijing of destroying samples of the virus as part of a cover-up on its origins and to hold back the research efforts of other countries. ●

AFRICA/AGRICULTURE

Keeping the food flowing

Alongside the health and economic threats of the pandemic, tens of millions face hunger as the disease strikes at the food supply chains

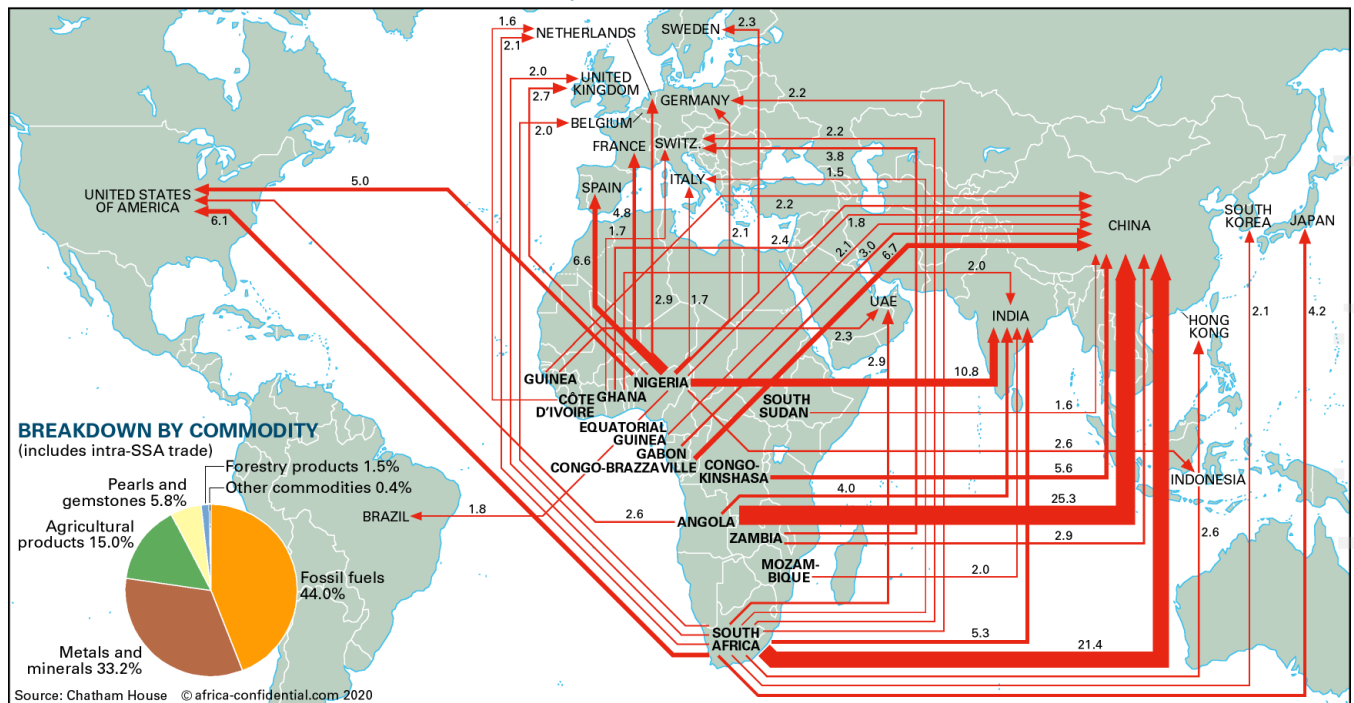
This month farmers across Africa are due to start planting for the main growing season. But the lockdown measures imposed to curb the Covid-19 pandemic risk derailing

the harvest, raising fears of mass food shortages and lost income.

Each year, about 9 million people, mostly in Africa and South Asia, die of hunger. The disruption the pandemic

could inflict on food supply chains means that toll could double, say international agencies. If restrictions continue, farmers won't be able to buy seeds and fertilisers. And the trade in foodstuffs could slow down further. For now, the main problems are a lack of money to buy food and border closures hampering distribution.

'There is an imminent problem of food insecurity, not only in **Nigeria**, but also in nations all over the world,' says Nigeria's Agriculture Minister **Mohammed Sabo Nanono** (AC Vol 60 No 22). The World Bank warns that

SUB-SAHARAN AFRICA COMMODITY EXPORTS, 2018 \$ billion (all flows of \$1.5bn and above, excludes trade between SSA countries)

Covid-19 could 'spark a food security crisis' in Africa, forecasting a fall in farm production of up to 7% if trade is blocked, and a 25% decline in food imports.

FOOD WARNING

In its Global Report on Food Crises published on 22 April, the United Nations' World Food Programme estimates that 265 million people in 26 countries will face acute food insecurity by the end of 2020, many in Africa. North-east Nigeria, **Burkina Faso**, **South Sudan**, and **Central African Republic** are likely to need emergency food aid, says the WFP. Just over 60% of South Sudan's population faced chronic food shortages in 2019; as did over a third of the people in Sudan, CAR and **Zimbabwe** (AC Vol 60 No 20). The WFP says **Ethiopia**, Nigeria and **Mozambique** could be the worst hit. All three are wracked by regional insurgencies.

Apart from the disruption caused by shortages of seeds and fertilisers, agrochemicals are held up at customs checkpoints at ports, and there is less money to buy food. National revenues from commodity exports and tourism have crashed. One payments company in Africa reports that remittances from the diaspora have fallen by over 70% in the past two months.

The African Development Bank estimates that \$35 billion of farm produce was imported into Africa last year. That's set to fall sharply. Officials at the WFP tell *Africa Confidential* that it needs \$2bn more in the next three weeks and a further

\$12bn before the end of this year to feed about 100 million people. Despite rich countries allocating some \$5 trillion to national stimulus programmes, the WFP is short of funds. Last month, it announced a 30% cut in rations for refugees in **Uganda**.

With a recent boost to national production of staple crops such as rice and maize, **Ghana** is in a stronger position: 'The Covid-19 pandemic provides a golden opportunity for Ghana to optimise food production to meet domestic needs, grow our exports and create jobs,' says its Agriculture Minister, **Owusu Afriyie Akoto**.

Prices for staple crops have not fallen like other commodities. Africa has seen a slight rise in farm trade as countries try to keep their food stockpiles. 'The issue is not the supplies but the transport of those supplies,' says a WFP official. 'If the trade supply chains don't work then we are in big trouble.'

The WFP wants governments to define agriculture as an 'essential, critical service'. It's urging Africa's regional blocs to keep borders open and avoid protectionism such as export bans and import subsidies.

On 16 April, the UN's Food and Agriculture Organisation (FAO) and the African Union described the food supply system as 'an essential service that must continue to operate during periods of lockdown, emergency, curfew and other containment measures'.

Yet some supply chains have already been disrupted. **South Africa's** Minister for Agriculture, **Thoko Didiza**, warned against weakening inter-regional trade but her government has imposed

controls, closing many of its border crossing points including 16 of the 20 it shares with **Botswana**. So far, officials say there are no reports of shortages.

Trucking logistics firm Kobo360 has reported that about 30% of its fleet in Nigeria, **Kenya**, **Togo**, Ghana and Uganda is idle. A shipping company in Cotonou says that regional trade has ground to a halt since February.

A survey by Nigeria's AFEX Commodities Exchange Limited, working in logistics and finance, says the country's fertiliser stocks are 20% below usual levels.

PLANTING PRIORITY

The first priority is the planting and harvest seasons this year. But officials fear the lockdown measures will push down production in 2021. 'If farmers can't plant as normal, and fertiliser supplies are insufficient then you're talking about real trouble for the next marketing year,' an FAO official warns.

South Africa's Bureau for Food and Agricultural Policy estimates over 80% of the country's fertiliser and 95% of plant protection chemicals are imported, a pattern mirrored across the continent. **Morocco** is the only major fertiliser producer.

East African farms had been hit before the pandemic by swarms of locusts in December. The pandemic has slowed efforts to tackle the continuing infestation. Lockdowns and curfews make it harder to cross borders and slow the delivery of pesticides.

Africa imports over \$4.5bn of rice a year but two of the biggest producers, **Cambodia** and **Vietnam**, have stopped

exports because of fears about national stocks. In Kenya, panic-buying and state programmes to distribute rice to poor families have depleted reserves. If it can't boost imports quickly, East Africa could face a rice shortfall of 50,000-60,000 tonnes within weeks.

Similarly, grain-importing nations globally will be dependent on this quarter's supply before the **United States** releases its autumn harvest onto global markets in the second half of this year. With this public health emergency set to create a food emergency in Africa

and South Asia at least, governments and companies could be pushed to invest more in local farms and agro-processing. As anger grows over the pandemic restrictions, governments will face mounting pressure to fix their national food supply systems. ●

TANZANIA

The Magufuli experiment

The government's inconsistent response is making the country a testbed for what happens when the coronavirus spreads rapidly

Tanzania's response to the coronavirus is marked by chaotic frontline healthcare, confused public health messaging, and a commitment to limiting the public's access to information, including by restricting the media.

President **John Magufuli**, who downplays the likely impact of Covid-19, is the author of the policy. He blames imperial interests for the pandemic and places his trust in God and the military

– while isolating himself in his home village of Chato, 400 kilometres from the political capital of Dodoma, since 28 March. His erratic response to the crisis may have serious consequences for public health in coming months.

By early March, basic screening was in place at major points of entry to the country, and national leaders, including the President, were advising on social distancing, avoiding gatherings, and hand-washing. Public

service announcements were already in preparation. By the time the first case was announced on 17 March, the prime minister had a list of actions to be implemented (AC Vol 61 No 7). The football league was suspended, schools were closed, and 'unnecessary gatherings' banned. 'Unnecessary' remains undefined, but does not include public religious worship. The ministry of health even agreed to work on public health messaging with the website Jamii Forums, whose founder **Maxence Melo** has been harassed for years by the authorities. (Last month he was convicted of the offence of not identifying a whistleblower on the website to the authorities.)

However, the day before the country's first Covid-19 case was announced, Magufuli stopped his motorcade in Mlandizi, a small town outside Dar es Salaam, for a staged meet-and-greet with a crowd of hundreds which he advised, seemingly as an afterthought, to shun large gatherings.

The mixed messages seem to have influenced government practice on the pandemic. There is a big contrast between the data being produced on the mainland and in Zanzibar.

Zanzibar has been releasing the number of samples tested each time new cases are announced while on the mainland no test results have been released since 26 March. On 4 May, data slipped out on the Africa Centre for Disease Control website. Out of a total of 652 samples, there were 480 positive cases for mainland Tanzania and Zanzibar. The high positivity rate suggests that samples are being taken from symptomatic and well-advanced cases only.

Zanzibar acknowledges that testing is inadequate but also that the effects are more severe than they have stated publicly. An internal Zanzibar Ministry of Health report leaked on 6 May reports a total of 32 deaths on the isles, in contrast to the total of just eight deaths reported the following day by Zanzibar's health minister, **Hamad Rashid Mohamed**, and a mere 21 for the entire nation. The leaked report also states the number of cases in Zanzibar alone as 523 – two more than the total admitted to for Tanzania as a whole.

The report attributes the slowness

PROTECTIVE PRAYER EQUIPMENT

The most consistent part of President **John Magufuli's** response to the pandemic has been trust in God. His address to worshippers at mass in Dodoma on the morning of 22 March laid this out clearly. 'If ever there was a time the devil ruled, it is now. If we stand strong, and trust in prayer, we will defeat this calamity'. Houses of worship remain generally open, although attendance is down.

Muslims have been divided on the need to close mosques. On 31 March, the day that **Iddi Hashim Mbata**, the country's first confirmed victim, died, Dar es Salaam's prominent Ngazija Mosque announced it would close for three weeks to allow it to take measures against the virus. Within days it was open again. More recently, video footage of a tightly packed crowd leaving Friday prayers at the city's Mtoro Mosque on May Day led the city's state-recognised Imam to announce its closure for two weeks. This would allow mosque leaders to consult with health ministry officials on appropriate mitigation measures. Yet within 24 hours, the mosque re-opened, supposedly on the advice of the Ulama (the council of scholars) but more probably as a consequence of President Magufuli's speech that morning. 'I beg religious leaders, this is the time to preach what we believe,' he said. 'Don't mislead us. The devil can even use religious leaders for his own purpose'.

Mosques such as Mtoro are governed by the National Muslim Council of Tanzania, or Bakwata, which is traditionally loyal to the state. Many more are unaffiliated and have a history of challenging the state. While none of their leaders have openly opposed the continuation of prayers, younger, more fundamentalist believers are advocating closure.

Within Christianity, there has been less diversity. The big three – Catholics, Lutherans and Anglicans – have for the most part kept churches open, with attempts at distancing backed by hand-washing. But there has been some dissent, and perhaps surprisingly it comes from Lake Zone, the political base of President Magufuli in the northwest. First, Bishop **Severine Niwemugizi** of the Catholic diocese of Rulenge-Ngara in Kagera Region suspended masses and other activities on 18 April. Bishop **Benson Bagonza** of the Lutheran Church followed suit two days later in nearby Karagwe Diocese. Both clerics have a history of political dissent and regular disagreements with the government.

Many fear that ambiguity and an absence of clear messaging on what citizens should do could lead to no public health measures being effective. ●

in testing to having to rely on the National Referral Laboratory in Dar es Salaam, and to equipment shortages. The report states that with greater testing, they would be recording at least double the number of cases.

As so often before, President Magufuli has resorted to coercive measures to attempt to rectify the situation. After Magufuli claimed that samples of papaya and goat sent to the testing lab were declared 'positive', he had the head of the National Referral Laboratory and its quality assurance manager suspended pending an inquiry. He also appointed a new Chief Medical Officer and Permanent Secretary at the Ministry of Health on 22 April.

No results will be released until the inquiry has been completed (by 13 May, as *Africa Confidential* went to press). In the meantime, the existing figures, of

509 cases for all of Tanzania, and just 21 deaths officially, become less and less credible. Donors in the health sector suspect that deaths run into the hundreds.

'OUT OF CONTROL'

Without agreement on numbers, the response has been inconsistent. Leaked notes from a meeting between the Chief Medical Officer, Dr **Abel Makubi**, Minister for Health **Ummu Mwalimu**, and the Medical Association of Tanzania noted that contact tracing in Dar es Salaam was to be abandoned. One person at the meeting said that the consensus was that the disease in Dar es Salaam was 'out of control'.

Videos of haphazard night-time burials by public health staff in hazmat suits have grabbed international headlines. Less widely circulated were videos of Dar es Salaam's dedicated

Covid-19 hospital, Amana Hospital, showing patients manhandling a corpse out of their ward because hospital staff would not handle it. There is a shortage of personal protective equipment.

Pandemics have a way of highlighting political fault lines, and in Tanzania the cleft is between Zanzibar and the mainland. Both are governed by the ruling party, *Chama Cha Mapinduzi* (CCM), but in quite different political circumstances. CCM lost the 2015 elections in Zanzibar, and only hung on to power by cancelling the election results (AC Vol 61 No 3 and AC Vol 56 No 22). Deaths are hard to hide in a small archipelago with a strong opposition. By addressing the pandemic head-on in Zanzibar, CCM may regain credibility, but by admitting the scale of the problem on the mainland, it may lose it. ●

NIGERIA

Into the land of empty

The oil price crash and the pandemic have the potential to force the diversification of the economy and end the patronage system

In the boom times, oil and gas generated 95% of the country's export revenues and the recycling of that cash powered over 60% of the economy. In the teeth of the coronavirus, its main cities closed and regional trade paralysed, the boom is over.

By mid-May prices for Nigeria's premium Bonny Light had recovered to US\$24.93 a barrel, still less than a third of what they were a year ago and potentially much lower after trader discounts are factored in. Revenues pegged at that price would barely cover production costs in the offshore oil fields. And the flotilla of tankers anchored in the Gulf of Guinea full of unsold oil is growing.

In March, Nigeria agreed with the Organisation of Petroleum Exporting Countries to reduce exports by more than 30% to just 1.4m barrels per day.

A prolonged crisis of such proportions will devastate public finances, forcing radical changes in jobs and services in Africa's biggest economy.

Whether in the longer run those changes are negative or positive hangs in the balance. President **Muhammadu Buhari** says he got involved in party politics in 2003 because the status quo in Nigeria was unsustainable. His Chief of Staff, **Abba Kyari**, who died in April of complications arising from Covid-19, said it was not a question of if Nigeria changed, but only of how: a process

of effective and planned reform, or something much more explosive (AC Vol 61 No 9).

Progress on Buhari's second-term campaign pledges to diversify away from dependence on oil and gas exports and to restore the rule of law has been uneven, at best. Critics have some easy targets: the latest National Bureau of Statistics report, on data from 2018-19, says that 83 million of Nigeria's 200m people live below its statutory poverty line of 137,430 naira (\$382) a year. The survey didn't include Borno state, which has been hit by the Islamist insurgency and has forced eight million to seek emergency aid from the United Nations.

By 2050, Nigeria's population will

be over 400 million, according to the UN. Whether that proves a blessing or a curse, says Buhari, depends on whether the economy can be restructured to prioritise national food and commodity production and manufacturing.

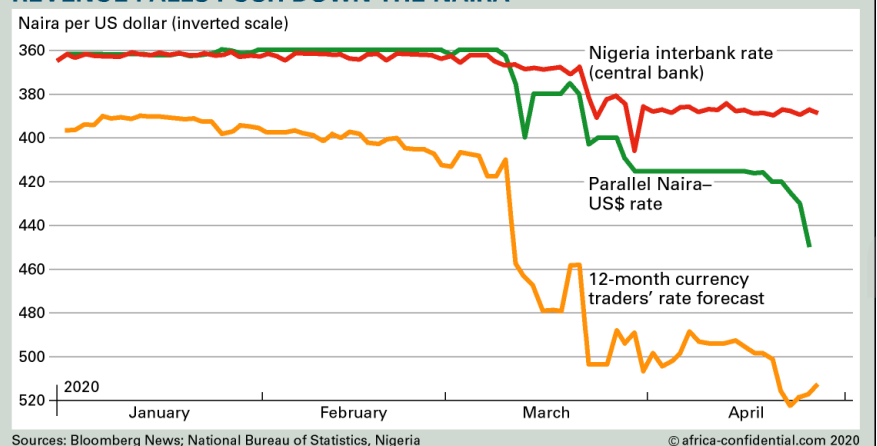
Blocking that transition to a productive economy, he claims, are vested interests benefiting from rents in the oil and gas industry – from overpriced service contracts and corrupt deals on refined products to outright theft of oil cargoes.

The International Monetary Fund reckons Nigeria's economy will shrink by at least 3.4% this year due to the pandemic. Before, the projection was for over 2% growth (AC Vol 61 No 7).

Forecasts for oil prices fluctuate. But it may take many years for the market to recover to 2019 levels, if it ever does.

Nigeria has borrowed \$3.4 billion from the IMF on concessional terms and seeks another \$3bn from the World Bank and the African Development Bank. That will do little to compensate for the crash of export revenues to \$26bn from

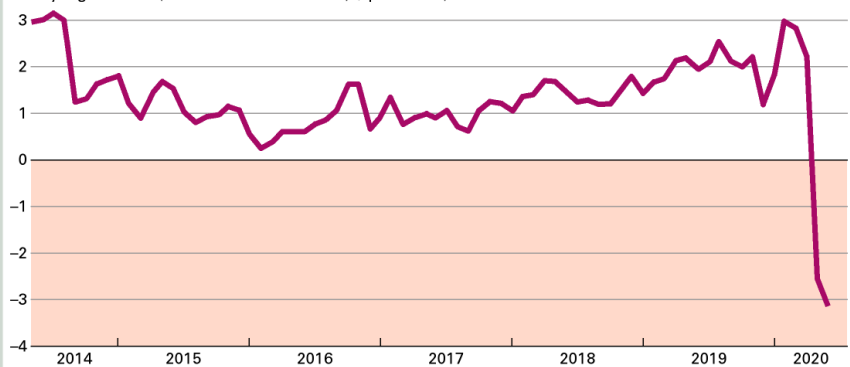
REVENUE FALLS PUSH DOWN THE NAIRA



THE GREAT OIL SLOWDOWN

Nigeria struggles to sell oil despite the price crash

Bonny Light Crude (discount to dated Brent, \$ per barrel)



Sources: Bloomberg News; National Bureau of Statistics, Nigeria

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\$54bn that the IMF predicts.

The severity of the downturn has removed most of the options for officials facing politically difficult policy issues. In the application for the IMF loan in April, Finance Minister **Zainab Ahmed** said the government would allow a 'more unified and flexible exchange rate regime', increase tax revenues to 15% of gross domestic product, and set power tariffs at market rates by 2021.

She added that in March the government had set a new fuel price regime that would permanently eliminate subsidies. From 2006-18, fuel subsidies cost some N10 trillion (\$27.8bn).

Now, with the market price for petrol so far below the government ceiling and set to remain so for the foreseeable future, fuel subsidies have become extinct.

Mele Kyari, the Group Managing Director of the ailing Nigerian National Petroleum Corporation (NNPC), has said publicly what everyone knew: subsidies disproportionately benefited the wealthy and well-connected traders.

In April, Central Bank Governor **Godwin Emefiele** ended the multiple exchange rate policy, notorious for creating rents and roadblocks.

ECONOMIC BATTERING

The formal economy is taking a battering. Manufacturing has long been in decline while banking and allied services generate limited employment.

Most jobs are in the informal sector. Last August, President Buhari ordered the closure of Nigeria's land borders to try to combat smuggling, particularly of agricultural produce. The drying up of demand for Chinese and other imported foods has given a further boost to subsistence and larger-scale farming of rice, sugar, maize and tomatoes, which has grown strongly in recent years.

We hear that the National Economic Council's ad hoc Committee on Covid-19 is considering measures to boost efficiency and mitigate the effects on the poorest. But new policies may be harder to introduce since Kyari's death on 17 April. Kyari and Buhari had been friends for four decades, and Kyari had

an instinctive feel for the President's priorities. Former ambassador to the UN **Ibrahim Gambari**, who was appointed as Kyari's successor on 13 May, has known the President since he was foreign minister in Buhari's military regime in the 1980s. But he lacks the close relationship that made Kyari such a key figure.

The oil price crash and recession have forced policy change in some areas. But in others, the direction is much less clear. **Timipre Sylva**, the Minister of State for Petroleum Resources, insists that President Buhari, who is also the lead minister for the Petroleum Resources portfolio, will introduce new legislation to reform the country's oil and gas industry by the middle of the year. All efforts to reform it since the end of military rule in 1999 have failed (AC Vol 59 No 16).

Sources say the Petroleum Industry Bill (PIB) will limit political interference in the sector, improve transparency and accountability, create incentives for investors, especially for local processing of oil and gas for the domestic market, and strengthen community and environmental protections.

Yet Sylva announced plans in April to hold a new licensing round for dozens of so-called 'marginal fields' abandoned by existing licence-holders but capable of producing up to 10,000 barrels a day. To invite bids before the oil and gas reforms are passed would undermine them and raise little money.

Before the oil price crash, the government had hoped to raise N939bn (\$2.4bn). Now, the figure has dropped by almost two-thirds to N351bn, which some still see as an over-estimate.

'It's a hare-brained idea,' says one of the more progressive state governors, 'just the kind of thing we should not be

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doing until the PIB is in place and the future is clearer.' But the Department for Petroleum Resources is adamant that the licensing round will go ahead.

The collapse in oil prices in 2015-16 coincided with a rise in militant violence in oil-producing parts of the Niger Delta and a sharp fall in government revenue. It triggered several missteps by the Buhari administration but also taught officials some lessons about how to

manage fluctuations in public finances.

The main shock-absorber in the 2015-16 crisis had been corruption. So much was being stolen and diverted when oil prices were high that when prices crashed the fall in legitimate state allocations of revenues was modest.

The current crisis is more complex, and Buhari has to manage it without his trusted gatekeeper.

The coming months will test the

government's commitment to reform. If it pushes through the oil and gas reforms and shelves the proposed licensing round, this would mean that the progressives in the administration have the upper hand. If the licensing round goes ahead while industry reforms and other structural changes are held up again, the risks for the economy and the wider country could be grave. ●

ZIMBABWE

Tsvangirai's house divided

The struggle for control of the opposition MDC is ramping up as ZANU-PF uses divide and rule to weaken its strongest foe

In-fighting for control of the opposition Movement for Democratic Change is playing into the hands of the ruling Zimbabwe African National Union–Patriotic Front, which hopes to gain international legitimacy by co-opting the weaker faction into a 'government of national unity'. The main opposition MDC–Alliance has been subject to lawsuits and parliamentary actions aimed at helping **Thokozani Khupe**, leader of the rump MDC–Tsvangirai (MDC–T), win title to the whole party and its property.

Without a political resolution to these legal fights – such as leader of main MDC–A faction **Nelson Chamisa** reaching out to Khupe and her new ally **Douglas Mwonozora** in MDC–T – the opposition parties will be badly divided as they go into the 2023 elections. And they will struggle to win the support of civilian voters, let alone the critical rank and file of the military. For now, Chamisa embodies the populist DNA of the MDC, despite Khupe having won legal title to the party.

On 5 May parliament was reconvened for the first time since shutting on 18 March for the Covid-19 lockdown to witness an opposition factional battle play out in the chamber. Four senior representatives of the main opposition MDC–A, the section loyal to Chamisa, were recalled under Section 291(1)(k) of the Constitution: Secretary General **Chalton Hwende** (MP for Kuwadzana East); Chief Whip, **Prosper Mutseyami** (MP for Dangamvura Chikanga); National Chairperson **Tabitha Khumalo** (Women's Proportional Representative for Bulawayo); and Leader of the Opposition in the Senate **Lilian Timveos** (Senator for Midlands Province). Mwonozora, the former Secretary General of the MDC–A, was behind the call.

Following his successful bid to oust those MPs, Mwonozora wrote to the police demanding help to evict the party from its headquarters, claiming that Hwende and armed party youths had barricaded themselves inside Morgan Tsvangirai House in downtown Harare. On 7 May, riot police accompanied by ZANU–PF Harare Province youths surrounded the building, but without a court order they could not remove Hwende and his supporters.

MORGAN'S LEGACY

The issue at stake is the complex internal politics of the MDC, Zimbabwe's main opposition party for the past 20 years. When its founder, **Morgan Tsvangirai**, died in February 2018, he left three vice-presidents of the MDC–T: Khupe, who had been elected by the party in the 2014 congress, Chamisa, and **Elias Mudzuri**. The last two were personally appointed by Tsvangirai, in breach of the party's constitution. Although the party executive agreed to pause discussions of the succession during the founder's obsequies, Chamisa made an early bid for the leadership. He turned the funeral into a rally for his leadership of the party and bullied the national executive into accepting him, insiders say (AC Vol 59 No 4). Some of Chamisa's supporters at the funeral attacked Khupe and chased her away.

With an election looming, most of the leadership, apart from a cabal around Khupe, grudgingly fell in around Chamisa and his dynamic young team. Chamisa forged alliances with breakaway factions of the MDC, bringing former finance minister **Tendai Biti** and **Welshman Ncube** back into the main body of the party, as well as bringing in smaller opposition parties and even ZANU–PF defectors.

This group ran as the Movement for Democratic Change–Alliance (MDC–A), winning 88 parliamentary seats and 25 senate seats in July 2018, as well as a remarkably strong vote for Chamisa in the presidential election. He polled 2.1 million votes, only 300,000 less than **Emmerson Mnangagwa's** 2.4 million (AC Vol 59 No 16). Khupe's group, which she continued to call 'MDC–T', bagged only one MP, one senator, and a mere 45,000 presidential votes.

Chamisa eventually held an official party congress last May. Critics expressed concern about his handling of the congress and the sidelining of key old-guard officials, such as Mwonozora and **Morgen Komichi**, the former National Chairperson, were sidelined from the leadership. However, Chamisa was legitimately elected president of the MDC–A, alongside a strong National Executive, which included young activists as well as experienced technocrats such as Biti.

The disgruntled Khupe, meanwhile, took Chamisa to court for violating the party constitution. This year, the court ruled in her favour, ordering Chamisa to repay to her the funds used by the MDC–A during the election campaign and to relinquish control of Morgan Tsvangirai House.

On 31 March, the Supreme Court instructed the party to revert to the structures established at the 2014 congress, where Khupe was elected vice-president, prior to Tsvangirai's 2016 appointment of Chamisa and Mudzuri (AC Vol 61 No 8). It was at the 2014 congress that Mwonozora defeated Chamisa in the contest for Secretary-General. In early April 2020, Mwonozora defected from Chamisa to Khupe, as did Komichi.

Chamisa has obtained a temporary halt on the disbursement of the 7.5 million Zimbabwean dollars (US\$20,700) owed to the leader of the MDC–T under the Political Party Finances Act, but it does not resolve the fundamental issue. There are, essentially, two MDCs that the state is treating as interchangeable: Khupe's MDC–T, which does not meet the minimum requirements to receive party funding from the government or

be considered a substantial opposition party, and Chamisa's MDC-A, an established party with a proven electoral track record.

ZANU-PF has exploited this opportunity. In treating Khupe as the leader of the opposition while co-opting it, the ruling party hopes to remove genuine opposition from the current parliament altogether. It may even offer ZANU-PF a permanent solution to an awkward and effective opposition.

Alex Magaisa, a political analyst and former advisor to Tsvangirai, points out that President Mnangagwa's government is under increasing pressure to engage with the opposition as it tries to secure foreign aid and debt relief (AC Vol 61 No 9).

Until now, ZANU-PF has resisted this option, fearing the popularity and political strength of Chamisa's Alliance. However, if it can present a joint government with Khupe's MDC as a serious government of national unity – intentionally recalling the coalition government of Tsvangirai and then-President **Robert Mugabe** – it may win over some Western governments and international institutions. This, at any rate, must be ZANU-PF's hope (AC Vol 61 No 9). Komichi has informed members of the Chamisa Alliance that Khupe's group intends to actively pursue coalition government with ZANU-PF. We hear talks between the two have already started.

However, Khupe's party may

not hold together long enough to consummate a union with ZANU-PF. It split at least three ways. The current MDC-T Secretary-General, **Nixon Nyikadzino**, threatened by the court-ordered reinstatement of Mwonzora as Secretary-General, wrote to the Speaker of parliament on 5 May to recall Khupe's MP and senator, and to announce that Khupe had removed herself from the party. Mwonzora and Khupe rejected the letter.

At the same time, Mwonzora and Khupe's relationship is strained, as he will be fighting her for the leadership of the MDC-T at its upcoming congress. Other contestants eyeing the party presidency include Komichi and **Gift Chimanihire**, who lost his parliamentary seat in the 2018 elections. Leaked audio recordings of national executive discussions reveal that Khupe is planning to recall all 30 of the MDC-A MPs elected on the proportional representation list from parliament in order to appoint her own loyalists, giving her a leg-up in coming party elections.

Mwonzora, on the other hand, having removed the four leaders of the Chamisa faction in parliament, insists that the remaining MPs should be left there. Some pundits believe that he plans to coopt these MPs behind his bid for the party presidency. The MDC-T National Organising Secretary, **Abednico Bhebe**, is concerned that a congress will further open the party to

divide and rule by ZANU-PF.

On 11 May, the MDC-A MPs met to discuss the future of the party. All but 14 of the 88 MPs attended the meeting or sent support. They say that 'fortress Chamisa is holding strong' – none are planning to defect to Mwonzora and Khupe. The Secretary for Parliamentary Affairs, **Shakespear Hamauswa**, reports that the MPs agreed to boycott parliamentary business to demonstrate that they will not be led by Mwonzora. Previously, Minister of Justice and Parliamentary Affairs **Ziyambi Ziyambi** had indicated that the Parliamentary Standing Act would be used to expel truant MDC MPs. If this is implemented, the state – bankrupt though it is – could be looking at running and funding more than 80 by-elections of expelled MPs in the next few months.

Meanwhile, on 10 May, the MDC-A Organising Secretary, **Amos Chibaya**, was nearly killed in a traffic collision in Zvishavane. The party spokesperson, **Luke Tamborinyoka**, claimed the driver of the other car was a Central Intelligence Organisation operative who deliberately made a U-turn into the path of Chibaya's vehicle, causing the crash. This follows an incident in Marondera on 2 May, where MP **Caston Matewu's** car was forced off the road into a tree by an oncoming vehicle, seriously injuring Matewu and two of his colleagues. In a country with a history of automobile assassinations, it is clear that the stakes of this game are high. ●

SOUTH AFRICA

The lockdown finds pushback

The public is starting to tire of one of the world's strictest restrictions in response to Covid-19 as cracks appear in the political consensus

The armed forces are patrolling the streets to enforce a nationwide curfew from 8pm to 5am as citizens can only exercise between 6am and 9am, and no more than five kilometres from their homes. They may not go to the beaches or buy cigarettes, or alcohol, and the only businesses allowed to operate have to be specifically authorised by the government's new 'National Coronavirus Command Council' (NCCC). The strain is showing.

The new rules, which have suspended many of the rights guaranteed in the constitution, particularly the rights to freedom of movement, assembly, association, trade and, arguably, religion, are being challenged. On 11 May former Finance Minister **Trevor**

Manuel criticised the government for not being 'rational' in its approach to the lockdown measures and deplored the often brutal enforcement of the rules by soldiers and police. He cited the three-hour restriction on exercise as an example of the 'irrationality'.

The government's powers derive from the National State of Disaster declared on 15 March and Section 3 of the Disaster Management Act 2002. The Act, which has never been used at a national level before, gives the government broad powers for three months, renewable for a month at a time, to 'make regulations or issue directions' to deal with the effects of a disaster, and to 'assist and protect' the public. The government's enhanced

powers in a National State of Disaster are required by the Act to be exercised 'only to the extent necessary' to achieve these objectives.

After an initial period of broad public acceptance of the government's efforts to manage the pandemic, and approval in particular for the measured approach taken by President **Cyril Ramaphosa**, tempers are fraying. A video clip went viral showing Transport Minister **Fikile Mbalula** imperiously demanding that police 'Arrest and impound, impound and arrest' a street trader lacking a permit. The public sees many of the rules as petty, and resent what amounts to an effective prohibition on many people earning a living, their fury little tempered by alarm or horror at the impact of the virus, which has been slight so far. A little over 8,000 coronavirus cases have been identified in the country, with just over 200 fatalities, which means that the vast majority do not know anyone who is confirmed to be infected, and still fewer anyone who has died.

Sentiment appears to be growing that the courts will need to step in to

moderate the government's enthusiasm for the powers it has granted itself after several suits were brought challenging the government's interpretation of the Disaster Management Act. On 4 May, the Fair-Trade Independent Tobacco Association launched an urgent application in the North Gauteng High Court opposing the government's ban on cigarette sales, with FITA chairman **Sinenhlanhla Mnguni** saying there was no factual basis for the government to contend that the ban was related to combating Covid-19.

Nkosazana Dlamini-Zuma, the co-operative governance minister and a former health minister and renowned anti-smoking campaigner, has supported current Health Minister **Zweli Mkhize** in maintaining that the ban is justified because of the damage Covid-19 causes to the lungs. British American Tobacco South Africa had previously announced plans to bring a court application of its own but has since backed down, saying that it will 'begin negotiations' with the government instead.

The opposition Democratic Alliance (DA) announced on 8 April that it was seeking legal advice on whether the controversial decision by Tourism Minister **Nkhensani Kubayi-Ngubane** to restrict emergency relief from the 200 million rand (US\$11m) Tourism Relief Fund only to those businesses following the country's Broad-Based Black Economic Empowerment rules was constitutional.

DA leader **John Steenhuisen** said it was 'unconscionable' that critical financial relief was being racialised. The tourism industry in South Africa is dominated by white people, who vote by a large majority for the DA. The party did not ultimately proceed with the case, but the trade union Solidarity and Afriforum, a predominantly Afrikaner NGO, did so, arguing in the North Gauteng High Court in Pretoria that the minister had exceeded her powers. On 30 April, the court ruled in favour of the minister, prompting Afriforum and Solidarity to file an urgent appeal to the Constitutional Court.

In a separate development, advocates **Nazeer Cassim** and **Erin Richardson** in late April wrote to the President questioning the legality of the NCCC, which they claim constitutes a centralisation of power that is 'impermissible' under the Disaster Management Act, and called on Ramaphosa to clarify the extent of the Council's powers. The advocates, who threatened court action if the President did not reply, reported on 6 May that he had done so and that they were now evaluating whether they would still proceed to court.

Upping the political ante, on 8 May Steenhuisen issued a statement saying the lockdown had turned South Africans into 'subjects of an authoritarian state'. The DA leader called for an end to the lockdown, chiefly citing the massive damage it is inflicting on the country's already much-battered economy and concluded ominously, telling Ramaphosa that if he did not end the lockdown, 'the people of South Africa will take charge and end it for you'. ●

KENYA

A clumsy coup

The government expected that curbing the Nairobi governor's powers would end his career, but the flamboyant Mike Sonko won't go quietly

The image of suspended Nairobi governor **Mike Sonko** at State House wordlessly signing powers over to the national government in February appeared to symbolise the presidency's triumph in the long campaign for control of the city.

A gazette notice published within hours of that transfer declared that the national government had taken over four of Nairobi County's core functions: health, transport, public works and planning. These functions would be controlled by a new body, the Nairobi Metropolitan Services office. Revenue collection, the notice added, would be immediately taken up by the Kenya Revenue Authority (KRA), while County employees were to be immediately redeployed to the NMS. Significantly, the notice also suspended 15.9 billion shillings (US\$150 million) worth of revenue subventions already allocated to the county and transferred them to the NMS.

While supporters were quick to hail State House's *coup de maître* as a necessary intervention in a notoriously ill-governed city, two months on, a new

crisis is well under way. The Senate, the guardian of devolution, is sharply divided over the legality of the takeover. At a heated special session of the Senate government supporters led, ironically, by opposition lawmakers now cosy with the executive under the terms of the **Uhuru Kenyatta-Raila Odinga** pact, defended the move as a necessary evil. Opponents, predominantly from Deputy President **William Ruto's** faction of the ruling Jubilee party, described it as un-procedural, an assault on devolution and devoid of public participation, a requirement under the constitution. In the fractious spirit of the times, while Deputy Senate Speaker **Kithure Kindiki**, who is allied to the Ruto faction, ruled that the matter be urgently resolved, **Kenneth Lusaka**, the Speaker, overruled him a few days later and suspended debate on the crisis.

A court petition filed by civil society activists has amplified the sense of public alarm. Not to be left out of the growing chorus of opposition, Governor Sonko – 'Sonko', which he changed his legal name to, roughly translates as 'Moneybags' – now says he is opposed to

the transfer of functions, complaining that he was not allowed time to study the documents before signing them. He has also refused to sign into law a resolution of his County Assembly formalising the transfer.

Sonko has sought to use the lockdown imposed to control the coronavirus to claw back his authority. Having signed away the County's functions to avoid an impeachment trial in his County Assembly, Sonko seems to have calculated that with the courts in recess, they will be powerless either to proceed with his case, or to punish him for contravening his suspension.

Hauled into court last December following a dramatic police chase as he made a run for the **Tanzanian** border, Sonko faces more than 30 charges of money-laundering, receiving bribes, conflict of interest and the misappropriation of Ksh357m (about \$3.5m). Even to casual observers of goings-on at the old City Hall, the charges against Sonko were hardly surprising. And it certainly does not help his case that the governor is, by his own admission, a two-time convict at Mombasa's Shimo La Tewa prison, from which he is said to have escaped.

However, Sonko remains hugely popular. Having cut his political teeth as a defender of the downtrodden hemmed into the capital's teeming informal settlements, which house at least 60% of the city's population, he has grown into a major political figure. Running on a Jubilee ticket for

the Nairobi senatorial seat in 2013, he garnered the third highest vote tally in the country; his gubernatorial victory in 2017 further embellished his political bona fides. Having been close to Kenyatta, who saw him as an asset in Nairobi, an opposition stronghold of Odinga's Orange Democratic Movement (ODM), Sonko gave Kenyatta's Jubilee a foothold in City Hall, coveted not least for the vast revenues generated in the capital, which account for about a fifth of Kenya's \$100bn GDP.

Sonko's relationship with the Jubilee leadership appears to have frayed badly when, in 2017, the party was reluctant to hand him the gubernatorial ticket. He secured it decisively during the primaries, soundly defeating party favourite **Peter Kenneth**, seen as a safer pair of hands (AC Vol 58 No 15). His relations with Kenyatta noticeably cooled after the election. His fate was sealed, we hear, once he began mending fences with Ruto, who has been waging a bitter fight against Kenyatta for control of Jubilee.

Freed in December on a Ksh15m bond (\$150,000), Sonko said outside the courthouse that the charges against him were politically motivated. While few took his protestations of innocence seriously, the timing of his arrest and the speed with which State House moved to usurp Nairobi County's powers have raised troubling questions about the Kenyatta administration's real motives.

Why would State House go through with this signing exercise? Even if he was not under suspension and therefore

authorised to transact County business, the governor's signature handing over the keys to the city has no legal standing without the approval of the County Assembly and the County executive.

Politically, alienating Sonko in the run-up to the 2022 elections could prove costly for the ruling party's fortunes in Nairobi. The pro-Kenyatta faction in Jubilee appears to be banking on forcing through an endorsement of its action in the Senate. Irregular as this may seem, Kenyatta's faction can rely on Odinga's senators to back it.

STARVING COUNTIES

No friends of the 2010 constitution, the Jubilee leadership's antipathy towards the devolution project – perhaps the one issue about which there is popular cross-party and cross-ethnic support – has long simmered below the surface, bubbling up in episodic political dust-ups at the Senate and with the Council of Governors over the budgetary quotas allocated to the counties. County governments, many of them living on bank overdrafts, complain perennially of the lateness in the subventions, control over sectoral functions, most notably health, powers to raise their own revenues, and the controversial status and role of county commissioners (AC Vol 57 No 10).

'As soon as they came to power, Jubilee embarked very deliberately on an attempt to kill devolution. Devolution is about resources. Jubilee has engineered conflicts on every aspect of the implementation of the devolution

experiment from its very inception. The leadership understood one thing: if you want to kill devolution, you starve it. It's all about money,' says a Nairobi-based civil society leader.

Since being elected to a second term in 2017, the Kenyatta administration appears to have targeted the Council of Governors which, along with the judiciary, is not fully under the administration's thumb. Three governors, including Sonko, have either been suspended pending trial or impeached – all on corruption charges. All are Ruto allies.

With the KRA consistently missing its targets, and with a budget deficit estimated at Ksh835bn (\$8bn), control of Nairobi's coffers is a matter of high priority. There are also rumours that interests close to State House found it necessary to move against Sonko because he could not be relied on to ensure county approvals for major real estate developments on the outskirts of the city.

Sonko's refusal to approve the County Assembly's belated endorsement of the Deed Transfer of Functions poses a significant threat to the coup plotters. Sent back to the Assembly for revision, Speaker **Beatrice Elachi**, said to be friendly with State House, will have to garner a two-thirds majority to pass the bill without the governor's signature, an unlikely prospect, given Sonko's numbers in the Assembly.

'This is not a battle. It's a war. We are not prepared to back down,' says a county executive. ●

CONGO-KINSHASA

Gertler tries to dodge sanctions

By setting up new secret companies and hiring legal advisors close to Donald Trump, the Israeli billionaire plans to counter US penalties

Israeli mining tycoon **Dan Gertler's** latest plan to sidestep sanctions on his companies in Congo-Kinshasa will test the seriousness of Washington's efforts to crack down on corruption.

The unfolding saga will also cast light on how far the **United States** government is willing to go to help the beleaguered President **Félix Tshisekedi**, or whether it sees him mainly as a tool to weaken the influence of former President **Joseph Kabila** and business allies like Gertler.

Gertler has set up several new companies, beyond the purview of the US authorities, which have allowed him to continue to collect royalties from Mutanda Mining, a copper and

cobalt project in Congo-K, paid by the mine's owners, **Swiss** commodities giant Glencore, say a group of activists and investigative journalists.

This follows the US government imposing sanctions on Gertler and numerous companies that are connected to him under the provisions of the Magnitsky Act. In December 2017, the US Treasury announced that the companies were enabling 'Dan Gertler to access the international financial system and profit from corruption and misconduct'.

However, Gertler is still collecting royalties under deals set up in the Kabila years when he was the gatekeeper for international miners to access Congo-K's

mining licences and official permits.

Gertler and Glencore's **Ivan Glasenberg** began to rethink how Gertler should receive his income from Congo mining after Och-Ziff Capital Management Group, which invested in Gertler's operations in Congo-K, was prosecuted for paying over US\$100 million in bribes in the country (AC Vol 60 No 18).

Glencore stopped paying Gertler royalties after he came under sanctions, but Glencore acknowledged that it was still obliged to pay him under contract and tried to find a way to do so without breaking US law (AC Vol 59 No 12).

Pressure on the US to follow through on the Treasury sanctions against Gertler has been mounting. Glencore thought it could duck the US measures against Gertler by simply paying him in euros, instead of dollars, but this would be unlikely to deter US prosecutors. Gertler is also thought to be vulnerable to investigation by the Department of Justice for possible breaches of the Foreign Corrupt Practices Act,

but no such moves have yet been detected. Gertler insists he has done nothing wrong and paid no bribe. He continues to get royalties from Glencore from its Congolese mines (AC Vol 58 No 5).

A battle for influence on US policy on Congo-K is taking shape in Washington. Last month **John Prendergast** and **Sasha Lezhnev** of the Sentry Project, which tracks conflict minerals and illicit profits in Africa, warned that Gertler's new tactics are rendering US sanctions redundant. Writing in Israel's left-leaning *Haaretz* newspaper, Prendergast and Lezhnev argued for tougher measures against Gertler, framing the issue as a test for both US policy and international judicial bodies.

As a former official in the National Security Council under President **Bill Clinton**, Prendergast is a veteran of policy fights in Washington. Despite President **Donald Trump's** antipathy towards anti-corruption laws, there have been several high-profile prosecutions for corporate crime since he took over the presidency in 2017. Prendergast may be hoping to win support in Congress and in the Department of Justice for new measures against Gertler.

Fighting against this, Gertler has hired **Louis Freeh**, a former director of the Federal Bureau of Investigation, and **Alan Dershowitz**, the prominent jurist who is Trump's legal advisor. Lobbying for sanctioned individuals is illegal in the US. Instead, Freeh and Dershowitz are contracted to 'provide legal services' for Gertler in Washington DC.

So far, there is little sign that Freeh and Dershowitz are making headway. On 17 March, the US Treasury lifted sanctions against Interlog DRC, which is owned by **South Africa's** Stewco. The company has previously done soil

analysis for Katanga Mining, a Glencore mine in Lualaba Province, Congo-K, from which Gertler receives royalties. All the other companies previously sanctioned alongside Interlog DRC for their association with Gertler were pointedly left by the US Treasury on the sanctions list.

According to multiple sources, the agreement between Tshisekedi and Kabila that allowed Tshisekedi to become the head of state following the 2018 elections protected the outgoing President's economic interests. Specifically, it included the provision that Tshisekedi would not come after Kabila's assets.

To the frustration of his followers, Tshisekedi has respected this since becoming President. But he has decided that the same need not apply when it comes to the interests of Kabila's business partners, such as Gertler. When a scandal erupted late last year about a €128m 'loan' Gertler had previously made to Gécamines, Congo-K's state mining conglomerate, Tshisekedi went on television on 27 December, calling it a 'serious matter' and urging the justice system to 'do its work'.

Tshisekedi has been trying to cultivate links with the Israeli and Jewish-American business people in order to bypass Gertler. Based in Bnei Brak, near Tel Aviv, Gertler isn't widely known in Israel but is close to a network of powerful business and political figures around Prime Minister **Benjamin Netanyahu**.

When Tshisekedi travelled to the US in March, he met with the American Israel Public Affairs Committee (AIPAC), where he called for a 'deeper relationship' between Congo-K and Israel. Tshisekedi announced that his government would soon reopen its embassy in Israel, closed

for 20 years, and establish an 'economic office' in Jerusalem.

That has angered several heads of state in the African Union, but went down well with Trump and his entourage, as well as with the Israeli government. Now, Freeh and Dershowitz may find it harder to make Gertler's case.

OUTSPOKEN

US ambassador to Kinshasa, **Mike Hammer**, is making a name for himself in Kinshasa, appearing in YouTube dance videos urging people to wash their hands to prevent the spread of the coronavirus. He also publicly advises Tshisekedi to do more to distance himself from Kabila. Hammer's outspoken stance has rattled Kabila, who in March discreetly met **British** officials in Kinshasa to persuade them to lobby the US ambassador on his behalf (AC Vol 61 No 5).

Some around Tshisekedi interpret this to mean that the US administration strongly backs their man. But diplomatic observers in Kinshasa say it's about balancing: the US plan is to weaken Kabila in the lead-up to elections, scheduled for 2023, to ensure that the ex-president cannot once again control the outcome.

This won't automatically help Tshisekedi, who undoubtedly wants a second term. There are other serious contenders upon whom the Americans look favourably, including **Moïse Katumbi**, the former governor of Katanga, who has his own strong ties with the AIPAC lobby.

And it's far too early to write Gertler out of the script, however the Kinshasa rivalries play out. He could still negotiate his way out of trouble, given Tshisekedi's urgent need for funds and President Trump's erratic policy-making. ●

ZAMBIA

On the brink of sovereign default

The government is getting no help from the IMF because it won't stop borrowing unsustainably and covertly

After stopping payments on several commercial loans this year, Zambia is set to default on its US\$3 billion Eurobonds, now trading at 'distressed debt' levels, with yields over 50%, *Africa Confidential* has learned.

The country may get some relief from the Group of 20's (G-20) freeze on debt repayments between now and December, which could cover about \$500 million of \$1.5bn due this year, according to our estimates.

On paper, that might leave enough money to service the bonds, and other private and non-G-20 creditors. But the money is supposed to be used for the public health emergency. After a year's grace in 2021, repayments under the G-20 scheme resume from 2022, and have to be completed within three years. Debt service is forecast to reach \$2.1bn in 2022.

The government says it could get more help from the International

Monetary Fund, but there is no chance of a programme being agreed, a top finance source told *Africa Confidential* (AC Vol 61 No 4). Zambia has been placed on an unofficial IMF list – revealed here for the first time – of countries deemed too insolvent for support even by the Fund, the lender of last resort, the source added. The list is believed also to include **Congo-Brazzaville**. Because of their breaches of the rules on arrears, **Eritrea**, **Sudan** and **Zimbabwe** are also barred from borrowing from the Fund.

Lusaka has been wooing the International Financial Institutions but its unsustainable borrowing, especially commercial and project-related loans, has continued and that makes IMF support impossible, the source said.

On 14 April an open letter from a group of distinguished Zambian

economists – including President **Edgar Lungu's** former Finance Minister **Felix Mutati** – pleaded with the government to work with the IMF because ‘the economy is on the verge of collapse’, saying the budget is ‘in disarray’ and that the ‘government needs to act now’.

It went on, ‘Government must stop borrowing immediately. Government must halt unnecessary projects, stop wasteful expenditures, and fund only essential economic activities and basic services. There is a growing image of Zambia as the “wild west”, where the application of the law and work of statutory bodies is arbitrary, and political.’ The government did not respond.

NO PANACEA

The G-20 initiative is designed for countries suffering liquidity problems due to the global pandemic. It does not include debt write-offs or rescheduling. It requires recipient countries to commit to using any savings for social and health spending, but officials doubt that Zambia will comply, in the absence of any enforcement mechanism or conditionality. Zambia has a track record of high spending on defence and weak support for public health services.

How any financial relief will be used by the government is the subject of intense interest, as the ruling Patriotic Front has a general election to fight next year. There is wide concern that any wiggle room in public finances will be used to pay delayed public sector salaries, subsidise PF campaign materials and beef up security in anticipation of civil unrest, along with other measures to boost the ruling party's electoral prospects.

On 9 April, the broadcasting regulator cancelled the licence of independent broadcaster Prime TV, which had been critical of the government. This points to more intolerance for free media as the polls approach.

Some pandemic campaign political ‘opportunities’ have appeared. A million face-masks financed by the Presidential Empowerment Initiative Fund are stamped with the PF logo, and banners on campaign lorries proclaim ‘We can fight Covid-19 together with ECL [Edgar Chagwa Lungu] 2021’.

Although the government is using the pandemic to garner sympathy abroad and to conceal its disastrous finances, it is hiring financial consultants to help deal with the debt. Finance experts say any advisor would tell Zambia to default on its Eurobonds and preserve cash. Economists question the government's seriousness, noting its lukewarm talk of ‘re-organising’ debt and technical flaws in its request for proposals, which was

issued to 10 institutions on 30 March. The consultants in the running for the contract include several unorthodox debt restructuring advisors and a creditor, Greyllock Capital.

Any relief arising from the G-20 package will be short-lived. Zambia is already in default to several more lenders than previously thought, according to exclusive research by Africa Confidential, including Investec Bank PLC, Israel Discount Bank and Standard Chartered Bank.

This much was predicted in the Debt Sustainability Analysis (DSA) published by the IMF and World Bank last August. Barely had the two institutions diagnosed Zambia as being at ‘high risk of debt distress’, than the defaults began.

Zambia has also defaulted on payments to lenders in **China**, Lusaka finance ministry sources told us. Domestic lenders are not keen on plugging the gap. The most recent government bond auction on 24 April was only 10% subscribed. So difficult has it been to raise money this way that the Central Bank of Zambia sold 4.2bn kwacha (US\$380m) as private placements in 2018, half of them to the National Pension Scheme Authority (AC Vol 60 No 9).

Finance Minister **Bwalya Ng'andu** can't tackle the debt issue directly because those taking out the loans are not under his authority, or outrank him in the pecking order. State House has prevented him from halting payments on certain already contracted loans.

In addition to the officially-announced \$11.2bn in external debt – which the IMF puts at \$12.6bn – another \$7bn in project-based loans exist, Ng'andu has admitted. This ‘large pipeline of contracted and to-be-disbursed loans’ – which the Fund puts at a far larger \$9.7bn – is a key factor in Zambia's unsustainable debt, it says.

Zambia was warned in 2017 that its downplaying of undisbursed Chinese project finance loans was misleading, and bankers now say the country is on the brink of sovereign default (AC Vol 58 No 25 & AC Vol 59 No 11).

Ratings agencies Fitch and Moody's downgraded Zambia to default status last month. Fitch notes that the \$1.5bn of external debt service due this year is 115% of gross international reserves at the end of January, when they were at an all-time low. It expects debt-to-GDP soon to reach 113%.

Some IMF officials believe that Zambia could be supported with a programme – on the novel criterion of ‘future sustainability’. That is the unusual mechanism by which Mozambique qualified for IMF finance following Cyclone Idai last year, we

understand. The problem for Zambia is the sustainability appears too far in the future to count as a realistic consideration.

The momentum towards new loans and projects is still there. A \$825m Chinese-built railway was announced on 4 March and then rapidly shelved because of the ensuing backlash. Nor is China the only country adding to Zambia's debt burden.

On 20 January the **United Kingdom** announced it was making a £244m Export Finance ‘direct loan’ to finance the building of rural health clinics. Doctors say that the health system lacks drugs, equipment, training and personnel for the existing clinics, so acquiring more premises won't help.

In spite of all this the government is quietly seeking a \$500m loan for recurrent spending, we hear. Although amendments to the constitution in 2016 require Parliament to approve all public debt, no word of new loans has reached it. Former Minister of Commerce **Dipak Patel** was so disturbed by the secrecy that he petitioned the Constitutional Court with a claim that since 2016 Parliament has been illegally bypassed ‘to prevent public scrutiny of how loans are being obtained and utilised’. No date for a hearing has been set.

On 4 May Zambia announced a new agreement with China for funds it said were to support the Covid-19 effort, refusing to give any details of the arrangement, which is assumed to be another loan.

Pundits say in the light of more than \$166m in support from World Bank, African Development Bank, the UK and **United States** for support to the health sector and the poor, the government's enthusiasm for more expensive support from China looks hard to explain.

Zambia's currency collapse – now at close to 20 kwacha to the US dollar – is pushing down GDP while making external debt more expensive. Revenues are threatened by falling copper prices. Relations with the mining companies have worsened to the point that some executives believe the government is considering seizing assets to barter with China for debt relief.

Government hostility towards investors and foreign official officials is not helping its cause. Mopani Copper Mines CEO **Nathan Bullock** was prevented from leaving the country for his native **Australia** on 16 April, although he has now been allowed to fly out.

President Lungu demanded the removal of the US ambassador, **Daniel Foote**, in December, and the IMF's resident representative was expelled in 2018 (AC Vol 61 No 1). None of this is helping Zambia's negotiating position. ●

SOMALIA

Who wants an election?

Polls are due at the end of the year but after three years of preparation there is still little prospect of one person, one vote

A fractious and increasingly angry political scene – dominated by growing resentment of the federal government – is one of several reasons the vision of representative democracy is not getting brighter. The likeliest scenarios this year are either an extension of the mandate of President **Mohamed Abdullah Mohamed 'Farmajo'** and the two parliamentary houses, or a return to the 2016 political arrangement.

Parliamentary elections should take place in December, and the presidential poll by February next year. Consultation should have been taking place with the devolved federal member states, civil society and the political elites. But very little has been done.

In 2012, 135 clan elders selected the 275 MPs. In 2016, the numbers increased but representativeness barely; those 135 clan elders selected 51 sub-clan electoral college members for each Parliament seat, and that group voted in the 275-member lower house (AC Vol 57 No 25). The MPs, along with 54 Senators elected by federal member state parliaments, elected the president (AC Vol 58 No 3).

That was supposed to be the last of these imperfect elections. But preparations are nowhere near complete and agreement still distant, so the polls are likely to be postponed and the Covid-19 pandemic blamed. MPs and Senators can agree on that with the presidency while disagreeing on everything else.

Even so, the various oppositions to the federal government are unlikely to peacefully tolerate more of Farmajo's increasingly authoritarian and centralised rule.

PROCESSES

The processes in place for this year's parliamentary elections show no major realistic advance on the ambitions for representation in the last. They do not say how Somaliland will be represented. How the population in the parts of the country controlled by *Al Shabaab* will be represented is not specified either.

Farmajo promised, when he was standing for the presidency, that he would initiate dialogue with the jihadists, but none has followed, only an increase in the number of **United**

States drone strikes and ambushes by US Special Forces and their Somali comrades-in-arms on the insurgents. Women's representation may go nowhere too. A target of parliament having at least 30% women was missed in both 2012 and 2016, despite strong international pressure.

As in 2012 and 2016, initial discussions on the elections were marred by unrealistic assumptions: that the elections would be general and, since the 4.5 formula would be sidelined, a vibrant democracy would take root. (The 4.5 formula gives equal representation to the four main clans: Dir, Darod, Hawiye and Raheenweyn – and 0.5 to the minority clans).

Little thought was given to the fact that over the past three years one person, one vote was becoming increasingly popular because it offered the best chance of ousting an increasingly remote political elite.

Eventually, the proportional representation/party list system was rejected, and the first-past-the-post model adopted by parliament on 28 December. It passed into law in February under international pressure. The outcome shows no evidence of attempting to cultivate general support and legitimacy from as many sections of society as possible. The federal member states, such as Puntland and Jubaland for example, were not involved even though they have become increasingly worried by Mogadishu's militant centralising tendencies.

The electoral law specifies that any party standing for election should contest at least half the seats in the two chambers. They are also required to have at least 10,000 members across at least nine of the country's pre-1991 regions, but since the conflict prevents the compilation of an electoral register, no political parties can be legally formed. Some 77 parties are provisionally registered, but nobody knows which, if any, may operate legally.

Controversy surrounds the 4.5 rule, which implies that each constituency has to 'belong' to one clan. Only candidates belonging to that clan are allowed to run, even though voters belonging to other clans may outnumber the candidate's.

Because there is no census, let alone an electoral register, and only a vague idea of population statistics, choosing which constituencies to affiliate to which clan will cause conflict.

Mogadishu could be highly contested, not only because every clan is present there, but because Farmajo's administration will pull out all the stops in favour of its own candidates, who succeeded in the federal member states of Hirshabelle, South West State, and Galmudug but failed in Jubaland last August (AC Vol 60 No 1).

IMAGINARY

Critics say that the electoral template envisages an imaginary Somalia of unitary geographical clan allegiance, one unaffected by the huge number of internal refugees or the social mixing of the bigger towns, such as Hargeisa, Bossaso, Galkayo and Mogadishu, over the decades.

When it was devised, in 2000, the 4.5 formula was seen as a strictly time-limited tactical agreement to gain time and rebuild trust among clans. It has since become an increasingly divisive, though now legally enshrined, structure for popular consultation with none of the authority of historic mechanisms for settling clan and social disputes.

Postponement of the elections looks increasingly likely, although the main international donors – the European Union, **Britain**, the US, and **Norway** – are afraid that opposition to Farmajo in Mogadishu, where it is strongest, could boil over into violence.

Technically, the National Independent Electoral Commission could inform parliament that it cannot organise the elections and then it would be the job of the two parliamentary chambers to decide how long the postponement should last.

They may opt for a two-year extension, but that won't be acceptable to many Somalis, nor to most of the international community. The former are fed up with, and the latter ashamed of, association with the administration's arbitrariness and authoritarianism.

ARRESTS

Journalists are arrested when they turn down bribes from the presidency, and independent experts and aid workers are expelled from the country. One journalist was arrested on 14 April for reporting on Covid-19, and respected Voice of America reporter **Harun Maruf** was labelled by the National Intelligence and Security Agency as a threat to national security and sovereignty. NISA also threatens politicians and there is even a widespread belief in Mogadishu that NISA permits *Al Shabaab* to carry

out operations against politicians whom Villa Somalia regards as a nuisance.

Farmajo has even restored – under the cover of fighting the pandemic – authoritarian decrees brought in when **Mohamed Siad Barre** took over in 1969.

Al Shabaab is taking full advantage of the turmoil in the political arena, despite the many challenges it faces from the Islamic State (IS or *Da'ish*) and the increased pace of US military action. It has orchestrated clan conflict in politically sensitive areas that it needs for survival. Conflict between Shanta Alemod and Galjel in Wanlaweyn,

near the US base at Baledogle, helps distract US attention from *Al Shabaab* (AC Vol 60 No 22). It also underlines the importance of the Galjel clan, which has been an important source of *Al Shabaab* fighters for years (AC Vol 37 No 4).

In Lower Juba, **Ahmed Madobe** was re-elected regional president last August through a dubious process and is coping with an opposition led by **Ethiopia** and the government in Mogadishu (AC Vol 60 No 2). Here, *Al Shabaab* has been stoking the current conflict between Majerteen and Awramale; chaos at local level is fertile ground for the Islamist

militia's expansion. Meanwhile, the authorities take the blame.

These are the factors governing the electoral situation later this year and next. President Farmajo is happy to play for time because he has all the funding he needs from **Qatar**, long his backer (AC Vol 59 No 6). Questions have been raised about whether Farmajo is still Doha's favourite in Mogadishu, but the pundits agreed that whatever else happens, the Gulf sheikhdom will invest in the Somali elections to make sure that whoever the winner is, his first port of call will be Doha. ●

ETHIOPIA/ERITREA

Refugees in crossfire

Ethiopia no longer automatically gives refugee status to fleeing Eritreans. Neither they nor their Tigrayan hosts are happy about it

The Ethiopian federal government's treatment of refugees from Eritrea is causing concern both in the Tigray regional government, with which it is already at odds, and among refugees. The national Agency for Refugees and Returnees Affairs (ARRA) is planning to close one of the refugee camps and is refusing to automatically grant asylum to Eritreans who cross the border fleeing unemployment, poverty and compulsory lengthy service in the armed forces.

ARRA plans to close Hitsats, one of the four refugee camps in northwestern Tigray, potentially displacing at least 12,000 Eritreans, although the closure has been pushed to June due to Covid-19. Residents are being encouraged to integrate in the local community or to move to nearby May-Ayni or Adi-Harush camps. If they stay where they are, they will have to fend for themselves when camp services end.

Tigray's government is angry at deals being made behind its back. Until **Abiy Ahmed** took the premiership of the nation, the Tigray People's Liberation Front (TPLF) was prominent in Ethiopia's government. The reclassification of the refugees does not suit TPLF leaders, who maintain their traditional hostility to President **Issayas Afewerki**. Equally, President Issayas has a special animus for the TPLF. Many feel that his warmth towards Abiy is motivated as much by the knowledge that the TPLF was dethroned by his ascendancy as to receptiveness to any of Abiy's initiatives in their own right.

The TPLF is sending signals of its own to both Addis and Asmara by

maintaining a clutch of anti-Issayas Eritrean exile organisations, some of them armed. A former deputy leader of Ethiopia's top intelligence organisation, the National Intelligence and Security Service (NISS), **Issayas Woldegiorgis**, has been seen near the Tigray-Eritrea border trying to recruit newly arrived Eritrean military defectors for the anti-President Issayas cause, according to an Eritrean source in Tigray.

PROTESTS

Refugees have been protesting to the government and to the UN High Commissioner for Refugees (UNHCR) fearing revocation of their asylum status. However, the classing of all Eritreans as political asylees by Ethiopia was part of the hostility between the two nations. Ending the automatic classification of all Eritreans as victims of persecution is a logical consequence of warming relations between the two countries, observers commented.

The official justification for the new asylum policy was given to international partners in a 9 April letter which said there had been a 'high influx of Eritrean minors, illegal migrants and others who do not fulfill the criteria of refugee status'.

Eritrean refugees are a political football of long standing. While Abiy may wish to normalise relations with Eritrea, the TPLF government is now one of the biggest obstacles to the process. Animosity between the TPLF veterans and President Issayas – former rebels comrades in the 1980s – is unabated since they fought in the late 1990s. Tigrayans believe Abiy stoked

anti-Tigrayan prejudice to consolidate power.

TPLF chairman **Debretsion Gebremichael** has publicly maintained the pre-Abiy political line of hostility towards President Issayas. The TPLF central committee recently addressed an open message to the 'Esteemed People of Eritrea', saying the people of Tigray and the TPLF have 'never wavered or compromised on the quest of the Eritrean people for freedom.'

Woldegiorgis was sacked as deputy chief of the NISS in 2016. Now he is back in Tigray he's assisting Eritrean opposition groups in exile as a foil to anti-TPLF activities by President Issayas and also to keep options open.

ARRA told international partners the new border policy might also be applied to **Somalis**, **South Sudanese**, and **Sudanese** who flee to Ethiopia, but the changes so far have only been in Tigray. One upshot, according to a local Tigray official, is that 500 Eritrean refugees have holed up at a school in Sheraro, being supported by the community after ARRA stopped border registrations. Refugees continue to flow in.

UNHCR and international NGOs that provide camp services cannot oppose Ethiopia's policy shift, of which they had little warning, because it is in the political realm. 'This is a big dilemma, a big debate' the official told *Africa Confidential*. 'People are worried about their life getting worse.' The Eritreans in Ethiopia fear being mistreated as well as having their asylum status withdrawn.

The TPLF has been trying to show up the national government in other aspects of policy. It imposed a regional state of emergency over the Covid-19 pandemic ahead of Addis. It further signalled its differences with Addis when on 26 April the TPLF openly discussed the notion of holding the now-postponed vote within the province regardless of what was happening on the elections front elsewhere in the country. ●

POINTERS

Covid-19/ODA

WHOSE CURE IS IT ANYWAY?

Industrialised countries are defending funding research to find a vaccine for Covid-19 out of Official Development Assistance funds against a possible challenge from the Organisation for Economic Co-operation and Development. Wealthy countries have pledged US\$765 million so far to the Nordic country-led Coalition for Epidemic Preparedness Innovations, which aims to raise \$2 billion towards the hunt for a vaccine. CEPI is funding research by eight separate consortia around the world.

The OECD's Development Assistance Committee, which rules on disputes over which overseas expenditure counts as 'aid', may decide that since industrialised countries would benefit as much from a Covid-19 vaccine as developing countries they can't count the funding as ODA (AC Vol 57 No 6). The DAC notes that Covid-19, so far at least, is far more prevalent in the wealthy than in the less developed world. An initial discussion in the DAC on the matter is expected to take place in June.

CEPI was established by the governments of **Norway** and **India**, the Gates Foundation, the World Economic Forum and the Wellcome Trust in 2016 to fund research on vaccines, especially in developing countries. It had accumulated \$747m by last year. So long as CEPI was only working on developing country diseases such as Lassa Fever and Rift Valley fever, there was no controversy.

In March the **British** government announced it was contributing £210m (\$258m) – just over 10% of the UK's annual ODA budget – to the CEPI project. Contributing countries defend their subscriptions as ODA by emphasising that any successful vaccine will be distributed to developing countries at the lowest possible prices.

Donors have so far contributed \$550m to the United Nations' \$2bn humanitarian appeal on Covid-19. OECD Secretary-General **Angel Gurría** warned donors against repeating the 'Ebola effect' when the spike in funding to help fight the outbreak in 2014 to 2016 was quickly followed by a sharp fall in funds for other infectious diseases.

Central African Republic MINISTERS AND MILITIAS

Far from restoring sanity, the February 2019 Khartoum peace agreement between 14 armed groups has created a new space for bloody competition; they now have access to state resources and funding from Bangui.

Dozens of lives were lost in March and late April in Ndélé when the *Front populaire pour la renaissance de la Centrafrique* (FPRC), which is led by **Nourredine Adam** and **Abdoulaye Hissène** and claims to represent the Rongga community, clashed with a loose alliance of the *Mouvement des libérateurs Centrafricains pour la justice* (MLCJ), which says it stands for the interests of the Kara community, and the *Parti du rassemblement de la nation Centrafricaine* (PRNC) that allegedly represents the Goula people (AC Vol 58 No 11). The FPRC was the strongest element of the Séléka coalition which invaded the country in 2013 and overthrew President **François Bozizé** (AC Vol 54 No 7).

While the call has gone out for the fighting to stop and for those responsible to be prosecuted little notice has been paid to the fact that the MLCJ and the PRNC are supported by ministers in Bangui. MLCJ leader **Gilbert Toumou Deya** is minister in charge of relations with armed groups, while the PRNC owes a great deal to the support of energy and water minister, **Herbert Gontran Djono Ahaba**. The MLCJ and PRNC also depend on interests in Darfur and Chad respectively (AC Vol 59 No 11).

Bangui's new special court, the *Cour Pénale Spéciale* (CPS), has opened a file on the Ndélé killings but has not interviewed the ministers, sources in Bangui say, and is anxious not to upset President **Faustin-Archange Touadéra**.

The fighting is over rights of extortion on the local economy, especially diamonds, and trucking.

South Sudan

COUPS AND CONSEQUENCES

President **Salva Kiir Mayardit** sacked the Chief of Defence Forces, General **Gabriel Jok Riak**, on 11 May over a failure to act quickly enough to thwart a coup attempt, sources in Juba have told *Africa Confidential*. Resentment has been building at the top of the armed forces since **Angelina Teny**, the wife of Salva's arch-rival **Riek Machar**, became defence minister in the new Revitalised Government of National Unity.

The putschists planned to strike when Salva left on a trip to **South Africa**, but they fell out after he failed to leave as planned on 2 May, we hear. The key plotters are former defence minister and presidential special advisor **Kuol Manyang Juuk**, and the director of the Internal Security Bureau **Akol Koor Kuc**, our sources said.

Lt Gen Akol Koor is a cousin of Salva's and his chief enforcer. He runs the notorious Blue House torture and detention centre at the National Security Service headquarters in Juba. He is

believed to still be in post but the fate of Kuol Manyang is still unknown.

Jok is not thought to have been part of the plot but he was never completely trusted by Salva because he had once fought with Riek. Like newly demoted former First Vice-President **Taban Deng Gai**, Jok stayed on Salva's side when war restarted in 2016.

Jok was appointed as chief of general staff in May 2018 after the sudden death of his predecessor Gen **James Ajongo Mawut**, who had himself been in post for less than a year following the dismissal of Gen **Paul Malong Awan** in May 2017. Jok has been under UN sanctions over alleged war crimes, like many in the upper echelons of the military.

Namibia

THE GOVERNOR'S GOVERNOR

President **Hage Geingob** has courted unaccustomed controversy by appointing his friend, the politically connected businessman **Johannes !Gawaxab**, to fill the vacancy left by **Ipumbu Shiimi** as governor of the Bank of Namibia, the central bank. !Gawaxab takes up the post on 1 June and will, initially, serve the remaining 18 months of Shiimi's term. Shiimi was appointed Minister of Finance in March.

The appointment raised eyebrows because !Gawaxab belongs to the same minority ethnic group, the Damara, as Geingob, and because the previous convention was that the deputy governor took over when the governor left.

The 64-year-old !Gawaxab has had to fend off concerns about a private equity firm he co-founded in 2015, Eos Capital Namibia. Via a third party it manages some N\$94 million (US\$5m) in government pension fund investments. Another of his firms, Eljota Investments, deals in government bonds, while his role in managing fraud-hit parastatals such as Air Namibia, the National Petroleum Corporation of Namibia and the Social Security Commission is also under scrutiny. !Gawaxab says there is no conflict of interest as 'we don't play in the capital market' and that he will resign his directorships.

Namibia has been only lightly touched by Covid-19 so far, but the mounting economic cost of the lockdown – with most of the vital mining sector operating at half capacity or less – has led to growing calls for it to be relaxed. In response, Geingob has set out a four-phase exit plan to be introduced over the next two months. Implementing a N\$8 billion (US\$420 million) stimulus and support package is proving difficult. The one-off N\$750 (\$39) payment for workers losing their jobs has been described as 'miserably insufficient' (AC Vol 61 No 7).

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BLUE LINES

The overwhelming vote, backed by African and European delegations, at the World Health Organisation assembly on 18-20 May for coronavirus vaccines to be classed as global public goods – universally available under pooled patents – boosts organisations such as GAVI (the vaccines alliance) and the UN system.

It was a blow for the United States, whose ambassador to Geneva Andrew Bremberg was trying to dilute the resolution calling for a 'people's vaccine' as well as pushing out Tedros Adhanom Gebreyesus as Director General of the WHO. Neither demand had much support. The assembly resolution provided for an independent assessment of the pandemic response by the WHO and the wider international system.

US officials argued the resolution would take away the profit incentive from pharmaceutical companies. It was, they said, 'a misinterpretation of international trade obligations' which would discourage 'new drug development and expanded access to medicine'. Such detailed legalistic argument contrasted sharply with US President Donald Trump's critique of the WHO, threatening to quit the organisation within 30 days unless it made unspecified reforms.

That left a door open for China to enter with the promise of an extra \$2 billion for the WHO and a pledge that it would make a vaccine available as a global public good. China contributes about a tenth of the US subscription to WHO of around \$400 million. This would be a net gain for WHO should Beijing make good on its promise.

NIGERIA

The \$10 billion gas plant that never was

Abuja challenges a gigantic court judgement against it by arguing that the claimants had planned it all as a scam from the start

Faced with the prospect of its oil and gas revenues falling this year by at least US\$26.5 billion, President Muhammadu Buhari's government sees the dismissal of a \$10bn judgement against it by a construction company and a London hedge fund – backed by a senior British government minister – as a strategic priority. After a decade of courtroom battles across the world, the case is finally edging towards a close.

Abubakar Malami, Nigeria's Attorney-General, scored two tactical victories in courts in New York on 14 May in the country's dispute with Process and Industrial Development which says Nigeria reneged on a 2010 gas and power contract. P&ID, a British Virgin Islands company, was formed by two well-connected Irishmen who had been selling arms to Nigeria's military since the 1980s (AC Vol 60 No 17).

P&ID blames the Nigerian government for the company's failure to build a plant to generate electricity from 'waste' gas, and sought compensation for loss of all its potential future earnings. Specifically, P&ID claim that the Nigerian government had not, as it was supposed to under the contract, secured the necessary gas.

Neither of the two international oil companies, Addax and ExxonMobil, operating in the area where the gas plant was meant to be built had made any arrangements to supply the required gas.

An arbitration tribunal in London found in favour of P&ID seven years after it signed the contract. That ruling was upheld last August, with the court

awarding the firm a \$6.6bn judgement. With interest, the total is now nudging \$10bn, more than twice what Nigeria spends annually on education, health and counter-terrorism combined.

Nigeria hopes to overturn that decision and revoke the award when the case returns to London in the next few weeks. Under Goodluck Jonathan's presidency, the government's legal strategy had been to dispute the circumstances around the original contract award and then the seat of arbitration, liability and quantum of damages in court while also seeking to settle with P&ID, which P&ID rebuffed.

The gas plant contract was invalid because neither the petroleum resources minister nor officials in the ministry had the constitutional right to sign it without approval from the federal executive council in Abuja, Malami told *Africa Confidential* last year.

GIVING NOTICE

After the arbitration award was confirmed in London last year, President Buhari intervened directly, telling the UN General Assembly in September: 'The present Nigerian government is facing the challenges of corruption head-on. We are giving notice to international criminal groups by the vigorous prosecution of the P&ID scam attempting to cheat Nigeria of billions of dollars.'

At the Southern District Court in New York, which hears some of the most complex financial fraud cases, Malami applied to subpoena records from banks that may have worked with P&ID, and VR

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Advisory Services, a hedge fund that acquired a 25% stake in P&ID after the 2017 award was made.

Malami submitted a 56-page statement outlining his case: that the P&ID contract was from the beginning intended to create a lucrative judgement in favour of a company with no track record in construction;

that due process was not followed, and instead manipulated by a small cabal of ministers and aides; and that since September 2019 evidence has emerged that proves systemic corruption. 'The only thing P&ID engineered was a fraudulent arbitration claim,' he said.

P&ID, represented by Kobre & Kim, an international law firm that worked with **Low Taek Jho**, the fugitive businessman at the centre of the 1MDB corruption scandal in **Malaysia**, did not challenge the orders. But iNHouse, a PR agency linked to the ruling Conservative Party in Britain, described the exercise as a 'a desperate attempt to substantiate Nigeria's spurious allegations of fraud.'

Britain's Home Secretary **Priti Patel**, previously Secretary of State for International Development until she was forced to resign because of ministerial misconduct in November 2017, has

written in the British press defending P&ID's claim and condemning Nigeria's rejection of it.

iNHouse lobbyists said that witnesses in Nigeria had been coerced into making false confessions. 'The claim that P&ID deliberately concealed documents by destroying them is totally false,' iNHouse told Bloomberg, after records relating to the company were lost in a fire.

Malami says the architects of what he now calls a scam were **Rilwanu Lukman** and **Michael Quinn**, respectively Minister of Petroleum Resources and head of P&ID at the time of the original 2010 contract. Lukman died in 2014. Quinn died the following year (AC Vol 59 No 17).

Two officials linked to Lukman, one of whom is a co-operating witness, say in statements that they received payments from P&ID, including a bag containing \$50,000 in cash after a dinner in 2009 at Chopsticks, a Chinese restaurant in Abuja.

Malami says **Mohammed Adoke**, his predecessor as Attorney-General, and **Diezani Allison-Madueke**, Lukman's successor, both linked to separate corruption scandals, then conspired to facilitate the scam against Nigeria. Allison-Madueke has been unable to leave Britain since 2015 when the authorities seized her passports and launched an investigation into the sources of her personal wealth.

Malami insists the Buhari government is deadly serious about its anti-corruption campaign. It secured 603 convictions on corruption charges between 2015-18, he says, snagging **Joshua Dariye** and **Jolly Nyame**, two former State Governors (AC Vol 59 No 15). It is also pursuing international oil companies Shell and ENI in connection with allegations that they bribed senior officials in the Jonathan administration to secure OPL 245, one of the region's biggest oil blocks, in 2011, at well below market prices.

But Malami is much less clear on other issues. **Bayo Ojo**, also a former Attorney-General and Nigeria's representative on the arbitration panel considering the P&ID dispute, differed from colleagues only on the scale of the January 2017 award. Ojo himself denies allegations by **Italian** prosecutors in December 2017 that he received \$10 million as part of a separate criminal conspiracy to defraud Nigeria over the transfer of OPL 245 in 2011 (AC Vol 59 No 25).

Malami also accepts claims by **Odein Ajumogobia**, a lawyer who specialises in international arbitration and was Minister of State for Gas at the time of the 2010 P&ID contract,

REPUTATIONS AND RUINATION

Insiders in Abuja say the scale of the Process and Industrial Development saga, one of the biggest awards for a project that was never built, suggests that a much wider range of political and corporate interests are tied up with it than have come to light so far. Here is the cast list ahead of the next hearings in London when Nigeria will press its claim of grand corruption against P&ID.

Rilwanu Lukman, as Minister for Petroleum Resources in 2008-10, had championed reforms for the local processing of associated gas into electricity in Nigeria. Well-respected internationally as a former President of the Organisation of Petroleum Exporting Countries, Lukman, who died in 2014, seems an unlikely candidate to be at the centre of one of Nigeria's biggest fraud cases.

Taofiq Tijani, Lukman's technical assistant, is co-operating with the Economic and Financial Crimes Commission and has a plea bargain with the authorities in Abuja. He says Lukman told him to facilitate the P&ID deal and that he, Tijani, was 'repeatedly bribed' by P&ID.

Grace Taiga, legal director at the Petroleum Ministry under Lukman, has also confessed to receiving payments from P&ID. Nigeria says these are supported by bank records.

VR Capital, with offices in London, New York and Moscow and 'a presence' in Argentina, advertises itself as a hedge fund trying to achieve 'superior risk-adjusted returns through investments in distressed securities with a strong focus on emerging markets'. Despite its claims to have more than 100 years of experience in its top management team, VR Capital doesn't reveal the identity of its staff, other than **Ashok Raju** in New York.

Michael Quinn and **Brendan Cahill**, Irish co-founders of P&ID, were veterans on Nigeria's contracting scene, covering everything from weapons to medical supplies.

General **Theophilus Danjuma**, who fought in the civil war alongside Buhari and is now a billionaire businessman, knew Quinn and Cahill. Danjuma's company, Tita-Kuru, told Nigerian officials that it drew up some plans for a gas project at a cost of \$40m which P&ID managed to obtain without paying.

Mohammed Adoke and **Diezani Allison-Madueke** were appointed Attorney-General and Minister of Petroleum Resources respectively by **Goodluck Jonathan** in 2010. Adoke and Allison-Madueke have been linked by prosecutors in Milan to a criminal conspiracy of corruption around the disputed transfer of the OPL 245 block to Royal Dutch Shell and ENI in 2011. Both Adoke and Diezani deny wrongdoing, as do Shell and ENI.

Abubakar Malami acted as **Muhammadu Buhari's** lawyer in court challenges to his defeats in presidential elections in 2003, 2007 and 2011. Critics say he has adopted inconsistent positions on high-profile commercial disputes, arguing both for and against settling with Shell and ENI on OPL 245. At one point, he argued for softening penalties against MTN, **South Africa's** mobile operator, which had been fined \$5.1bn for breaching the law on telecommunications security (AC Vol 59 No 19). ●

in his own witness statement, that he did not know anything about the deal. Neither was Ajumogobia aware, he said, that a partner in his own law firm was subsequently given the job of defending Nigeria, unsuccessfully as it turned out, against P&ID. However, the partner claims Ajumogobia was well aware of the case.

Moreover, Malami does not explain why it was only after he had been in office for three years, after such desultory

management of the arbitration process and after President Buhari had publicly raised his objections to any kind of settlement, that serious investigations by the Economic and Financial Crimes Commission (EFCC) in Abuja began into allegations of corruption over the P&ID deal.

Other sources say Malami had earlier recommended that Buhari adopt the proposed compromise negotiated by his predecessors of a \$100m cash

payment and an oil licence.

‘Of course we all knew what was really going on,’ says a leading figure in the current administration. ‘The true facts would embarrass a great many people.’ But any notion that Malami has tried to cover up the true scale of corruption around P&ID is not one that P&ID is likely to raise when the case comes back to London. P&ID insists there was no corruption and its intentions were wholly honourable. ●

SOUTH AFRICA

Cyril's lockdown limits

As the pandemic stretches out, the President is facing resistance from the public, business and political opponents

President Cyril Ramaphosa has bowed to mounting business and popular pressure to ease the lockdown from 1 June but has warned that the worst of the pandemic is still to come. South Africa may be the only country to ease its lockdown while the peak of Covid-19 infections has not yet passed. Fears for the battered economy are believed to be behind the decision (AC Vol 61 No 9).

The Covid-19 crisis has accentuated social differences, exposing the legacy of deep racial and socio-economic inequalities, as evidenced by tens of thousands of residents in informal settlements queueing for food parcels.

It has seen a flexing of political muscle through a potentially toxic coalition of securocrats and what one analyst dubbed ‘micro-fiddlers’, pedantic bureaucrats in the government. They have repeatedly enacted measures labelled draconian by human rights organisations and implemented them harshly.

The issue of the brutal attacks on citizens by security forces implementing the lockdown came to a head with a court ruling on 15 May over the death of **Collins Khosa** in Alexandra township in Gauteng province. Khosa died from his injuries after he and his family were viciously beaten by soldiers who found a half-drunk can of beer in his yard over the Easter weekend.

The court found against the security forces and their political masters and ruled that they would be held accountable for their conduct regardless of the Covid-19 lockdown. Khosa's family will probably be awarded substantial damages.

The court set out a list of actions

including the suspension of the soldiers involved in the beatings and the demand that senior officers instil respect for the values of the constitution and individual rights protected by the Bill of Rights.

Ramaphosa, speaking three days after the ruling, urged people to challenge the regulations where they thought they were unfair and said he would never discourage anyone from going to court to uphold their rights.

Ramaphosa admitted that some of the regulations had been unclear and slow in implementation and in some instances enforcement had been inconsistent and harsh.

By the time he announced the further lifting of restrictions on 24 May, there was intense pressure from the business community amid the real threat of defiance and civil disobedience from the public.

RIVAL'S POWER

Heading the informal coalition of securocrats and ‘micro-fiddlers’ is **Nkosazana Dlamini-Zuma**, ex-wife of disgraced former President **Jacob Zuma** and the main political rival of Ramaphosa, who narrowly beat her for the leadership of the African National Congress in December 2017 (AC Vol 59 No 1).

Acting with the powers bestowed on her as Minister of Co-operative Government and Traditional Affairs under the Disaster Management Act, Dlamini-Zuma declared a national disaster on 15 March for a three-month period.

The status of ‘national disaster’, used for the first time ever for the Covid-19 pandemic, stops short of being a full state of emergency but has many

of the same characteristics.

The opposition Democratic Alliance filed High Court and Constitutional Court challenges on the grounds that the lockdown and the empowering legislation undermined the separation of powers by not providing for parliamentary scrutiny of regulations endorsed by the National Coronavirus Command Council.

Dlamini-Zuma used her newfound powers to overrule the President by reversing his decision to lift the ban on smoking in the first easing of the lockdown at the beginning of May. She has insisted the ban remain during the next stage of easing on 1 June when the ban on alcohol will be lifted.

Dlamini-Zuma, a lifelong campaigner against smoking, has argued in cabinet that the ban on smoking should remain throughout the five phases of the lockdown, which would take it through to the end of the year, *Africa Confidential* understands.

One activist and life-long supporter of the ANC said she was worried about the way Ramaphosa was being sidelined on key decisions during the lockdown.

‘I am beginning to go nuts with the creeping tyranny of NDZ,’ she said, referring to Dlamini-Zuma. ‘I fear that the President is too weak.’

The ban on tobacco brought Ramaphosa into potential conflict with one of his most loyal supporters in the business community.

Billionaire tobacco tycoon and industrialist **Johann Rupert**, who defended Ramaphosa's leadership at a *Financial Times* summit in London last year and chipped in a 1 billion rand (US\$ 54 million) loan fund to help small businesses through the lockdown, filed a court action for compensation for losses under the lockdown.

Rupert later withdrew the court action without explanation other than that his company, British American Tobacco South Africa, would ‘negotiate’ with government.

Ramaphosa persuaded Rupert to withdraw the court action to prevent a conflict with Dlamini-Zuma, whom he has treated with political kid gloves

since defeating her in the leadership stakes, we hear.

Dlamini-Zuma, a senior figure from the powerful KwaZulu-Natal province of her former husband, is seen as a crucial figure in maintaining an awkward truce in the troubled ruling party. But the episode highlighted the very different world views of the two leaders and the factions that they represent.

The coalition of securocrats and bureaucrats implementing the lockdown was seen by some critics as an attempted power-grab in the hopes of precipitating a full state of emergency, something former President Zuma came close to doing on the day that he was persuaded to resign in February 2018, according to insiders (AC Vol 59 No 4).

The coalition's actions were seen by other analysts as an opportunity to wield executive power – at the expense of easing the lockdown – as a prelude ultimately to playing a role in the post-Ramaphosa era (AC Vol 61 No 8).

Other key figures in the coalition included:

- Safety and Security Minister **Bheki Cele**, who did little to contain overzealous security forces before the court ruling;
- Trade and Industry Minister **Ebrahim Patel**, who conceived the puzzling regulations about what clothing people should be allowed to buy;
- Transport Minister **Fikile Mbalula**, who first gave in to the powerful taxi lobby and then took a hard line

to arrest street traders;

- Minister of Social Development **Lindiwe Zulu**, who had to be restrained by a pending court order from intervening in food distribution; and
- Tourism Minister **Nkhensani Kubayi-Ngubane**, who refused to pay money from a R200 million (US\$11m) fund earmarked for struggling tour operators unless they could prove they were complying with Black Economic Empowerment (BEE) requirements.

Health Minister **Zweli Mkhize**, a medical doctor and ANC heavyweight who is widely regarded to be doing a good job with the Covid-19 response, issued an unusually long statement refuting criticisms of the lockdown by Professor **Glenda Gray**.

Gray, the respected head of the Medical Research Council and a member of the Ministerial Advisory Group, complained that some of the government decisions were not based on science and some were inexplicable.

Mkhize said her criticism was 'unfounded and factually incorrect' and that she had been 'potentially destructive'.

Within 24 hours, the acting Director-General of the Department of Health, Dr **Anban Pillay**, called for an investigation into Gray's comments. Many of Gray's colleagues sprang to her defence and denounced the action as a 'witch-hunt'. The SAMRC's board

backtracked on 26 May, dropping the investigation after finding that Prof Gray had not breached any of its policies.

With more than 24,000 infections and 524 deaths, South Africa's Covid-19 toll is way ahead of any other African country, probably reflecting its higher level of connectivity in the global economy and tourist industry.

One third of all infections were recorded in the week ending 22 May, suggesting that the reach of the virus is expanding rapidly even though the country's lockdown has included a dusk-to-dawn curfew, a three-hour window for exercise and the ban on alcohol and cigarettes.

Initial acceptance of the harsh and sometimes inexplicably arbitrary provisions of the lockdown has turned into a major pushback from the public and a desperate business community warning of economic meltdown (AC Vol 61 No 10).

RISK RISING

In announcing the easing, Ramaphosa warned that the worst of the pandemic was still to come. 'The risk of massive infections is now greater than it has been since the start of the outbreak in our country,' he said.

An even greater challenge for Ramaphosa is how he is going to fix an economy that was already broken before the lockdown began and replenish the store of political capital that his initial handling of the crisis won him (AC Vol 61 No 6). ●

KENYA

The one-party statesmen

The effect of thwarting Deputy President William Ruto's presidential ambitions could be the return of a de facto single-party state

The disintegration of the ruling Jubilee Party continues apace. In the clearest indications yet that President **Uhuru Kenyatta** is determined to remove the succession from his deputy, **William Ruto**, State House has moved to purge the party's leadership of Ruto allies in the Senate. The lower chamber will soon follow. It's simultaneously formalising coalition arrangements with its pre-election partner, the Kenya African National Union (KANU), and sending out signals that it is intent on bolstering its informal alliance with **Raila Odinga's** Orange Democratic Movement (ODM). It is also scouring the opposition's already depleted ranks in quest of other partnerships.

At a hurriedly convened Jubilee senators' meeting at State House on 11 May a clutch of pro-Kenyatta senators endorsed the removal of Senate majority leader **Onesimus Kipchumba Murkomen** and the Chief Whip, **Susan Wakarura Kihika**. They were formally replaced later that day by KANU's **Samuel Poghio** and Jubilee's **Irungu Kang'ata**. Ten days later, it was Deputy Senate Speaker **Kithure Kindiki's** turn at the guillotine. All three are vocal allies of the deputy president.

Unsure about rank-and-file party support, the Kenyatta faction resorted to steamrolling party rules to wrest control. It is unclear, for instance, whether pro-Kenyatta senators had a quorum when

they forced the removal of Murkomen and Kihika. Publicly circulated lists from both factions – the Ruto camp had gathered at parliament buildings in a show of numbers – suggested either that a number of senators, particularly those from Kalenjin strongholds in the Rift Valley, had been in both places at the same time, or had had their signatures forged. Six nominated Jubilee senators, all women, summoned for the State House meeting but who failed to show up, now face de-listing and expulsion.

This is happening in a situation of operational stasis. Technically, the terms of all the party's officials expired in March pending a national delegates' conference that same month at which internal elections would be held. The last meeting of the Parliamentary Group was in August 2017, soon after the controversial general elections. Then President-elect Kenyatta pledged to hold regular internal meetings in which members would be encouraged freely to air their grievances but none have since been convened (AC Vol 61 No 6).

And so, when the Registrar of Political Parties issued a gazette just

before Easter revealing a new line-up of Jubilee's National Management Committee, tailored by Jubilee Secretary-General **Raphael Tuju**, a close ally of the President, pro-Ruto allies protested hotly. The Deputy President himself wrote to the Registrar, **Ann Nderitu**, informing her that since the National Executive Committee had not met, the list was illegitimate. There are claims that at least 150 of Jubilee's 238 MPs and Senators also wrote to the registrar protesting the changes. The party has 171 of the 349 seats in parliament and 34 of the 67 Senate posts.

Ruto's place in the party leadership was, until now, assured by widespread support among the party's elected members. Having taken charge of Jubilee's 2017 election campaign after the party's disastrous primaries, the deputy leader secured plum roles for his supporters in Parliament, and had his eyes on taking control of the party machinery and deploying it for his 2022 presidential campaign.

While some in the Deputy President's inner circle still profess an appetite for a fight, the President's display of executive power appears to have quelled dissent within the party. As the guns turn towards Ruto's base in parliament, it was telling that even National Assembly Majority Leader **Aden Duale**, a staunch Ruto ally, appeared to be wavering, if the change of his social media profile pictures – now graced by a photo of President Kenyatta – can be taken as indicative of shifting loyalties. While Majority Whip **Ben Washiali**, his deputy **Cecily Mbarire** and Kikuyu MP **Kimani Ichungwa**, the chairman of the Budget and Appropriations Committee, are also likely to be axed, Duale may be the only one to survive.

Insiders at Ruto's office say they are unsurprised by the developments. While publicly projecting the image of the ultimate political bromance, the relationship was, they say, anything but. A campaign painting Ruto as corrupt began within days of the UhuRuto duo taking office in April 2013. Back then, Kenyatta's supporters assumed that the International Criminal Court case against Ruto over the post-election violence in 2007 would put paid to his political fortunes. This expectation was bolstered when Kenyatta's own case was terminated in December 2014, and government support for Ruto against the ICC was quietly withdrawn. It came as a shock when Ruto's case collapsed in 2016. It was therefore only a matter of time before things came to a head.

Increasingly isolated, the deputy president finds himself with very few options. As his political allies are progressively removed from high office

THE BIG TENT GETS BIGGER

When **Raila Odinga** and President **Uhuru Kenyatta** ended their post-election hostilities with a handshake in 2018, 'betrayal' was the cry from Odinga's former allies in the National Super Alliance (Nasa) – even though they had been holding their own talks with President Kenyatta (AC Vol 59 No 6). Now, it seems the President is ready to welcome them all.

Odinga and his Orange Democratic Movement look set to seal the 'handshake' pact with senior government posts and guarantees that the Building Bridges Initiative will be put to a referendum, although his officials say there are no plans to join government yet.

The next former opposition party to be co-opted is set to be the Wiper Democratic Movement after the party's National Executive Council gave the go-ahead to **Kalonzo Musyoka**, Odinga's former running mate, to finalise a pact with Jubilee on 22 May and formally leave Nasa. Musyoka's price is likely to be two cabinet portfolios for his party.

Former Bomet governor, **Isaac Ruto**, a rival to Deputy President **William Ruto** for Kalenjin loyalties in the Rift Valley, and his *Chama Cha Mashinani* party have also signed a deal with Jubilee (AC Vol 58 No 23).

Kenyatta wants this broad coalition because it gives him the power to force through his 'Big Four' development initiatives for the last two years of his presidency and denies Ruto and his followers the chance to form a bloc of their own. This would leave Kenyatta controlling the succession in 2022.

Whether Nasa's two Luhya political leaders are as biddable remains to be seen. Amani National Congress leader **Musalisa Mudavadi** and Ford-Kenya's **Moses Wetang'ula** boast 26 MPs between them. Wetang'ula has kept his counsel and is in quarantine following his brother's death from the coronavirus. Both still regard their parties as Nasa members.

Mudavadi has ruled out entering the President's big tent and says that he plans to stand for president in 2022. 'If Kenyans see my capability, I will be asking for the job to be President in 2022 and not to be a Luhya kingpin,' Mudavadi told a radio station in his western heartland last week.

However, there are suggestions that Kenyatta and Odinga are moving to bypass the two party leaders and co-opt the AMC and Ford-Kenya MPs. A caucus of the two parties' MPs on 20 May selected Kakamega Governor **Wycliffe Oparanya** and Devolution Cabinet Secretary **Eugene Wamalwa** as the Luhya community's representatives in a unity government, prompting an angry reaction from Mudavadi's allies. ●

and his business associates, both real and perceived, are hounded by the tax authorities and police detectives, his regular revenue streams appear to be drying up, further weakening his patronage system. For a politician who has cultivated a brand of intensely transactional politics, his opponents are calculating that it will only be a matter of time before Ruto's network goes into major haemorrhage.

For the President, however, the question of his own waning popularity, especially in his Mount Kenya base, will not easily go away, complicating his search for an acceptable successor come the next election.

FAMILY FORTUNES

Just as critical for the President is the hardening perception that while regular folk are being driven into poverty by the current crisis, his own family's fortunes have never been better. The recent state-ordered evictions of urban squatters and demolitions of informal settlements in Nairobi's poor north-eastern suburbs – Dandora, Kariobangi and Ruai – were

accompanied by rumours that they took place for the benefit of sewerage works for an 11,000-acre real estate project associated with the Kenyatta family. Possibly in an attempt to deflect the rumours, government officials explained that the Dandora evictions were on a property associated with the deputy president; the Ruai and Kariobangi demolitions, on the other hand, had long been in the works to make way for a long-overdue World Bank-funded sewerage expansion.

More worrying for Kenyatta is that flagging grassroots Kikuyu support makes it that much more difficult to sell the Building Bridges Initiative (BBI), the basis of the pact he made with Odinga and vital for mooted plans to restructure the executive and, it is proposed, accommodate Odinga and his erstwhile opposition luminaries from the National Super Alliance (AC Vol 60 No 23).

Days before the State House purge, the Kenyatta faction had formalised Jubilee's coalition agreement with KANU, whose leader, **Gideon Moi**, is

considered a useful counterweight to Ruto in the Rift Valley; it is too early to tell whether Moi is being mooted as Kenyatta's successor. The legality of the coalition deal notwithstanding, KANU could well be the first of many parties scrambling to enter Kenyatta's big tent. Already, Wiper Democratic Movement leader **Kalonzo Musyoka** and Ford-Kenya's **Moses Wetangula** have signalled their interest in a partnership (AC Vol 59 No 6)

GUARANTEES

Although Odinga's ODM has publicly signalled its willingness to go into a coalition with President Kenyatta we are told that, in private, Odinga has indicated that he will only move

definitely in that direction after he receives clear guarantees that the BBI referendum terms will be honoured.

None of this, however, has deflected the Odinga camp from schadenfreude at the deputy president's struggles. Indeed, Odinga's hand in Jubilee's internal wars has grown considerably during the lockdown, we hear. Odinga is said to have helped foil the impeachment of Jubilee's Kirinyaga governor, **Anne Waiguru**, by exercising his influence behind the scenes. Some of his close allies insist, without irony, that it is Odinga, the opposition leader, who has been directing the purge in Jubilee.

The BBI – touted by its supporters as having peacefully resolved the 2017 post-election crisis, and endorsed by

Odinga's erstwhile opposition allies, the churches, and the Central Organisation of Trade Unions strongman, **Francis Atwoli** – is in danger of becoming a single-party anti-Ruto chorus. In which case, Odinga, who is widely regarded as the father of the 'second liberation' from one-party rule, may carry the uncomfortable mantle of also being the midwife of Kenya's return to it.

That could yet backfire. In their zeal to fight Ruto, who grew up in rural poverty, the scions of the independence-winning nationalists – Kenyatta and Odinga being the most prominent – risk confirming as true the beleaguered deputy president's characterisation of the Kenyatta succession as a contest between dynasties and hustlers. ●

GHANA

Economics in a time of corona

Following the international formula doesn't guarantee success for an economy derailed by the public health emergency

Ghana responded quicker than most countries and has the biggest Covid-19 testing programme in Africa outside **South Africa** and a pro-active information campaign. Yet its economy will be on hold for at least another three months, as the governing party prepares for elections in December.

President **Nana Addo Akufo-Addo** announced Africa's first lockdown in March with a flourish: 'we know how to bring the economy back to life ... what we do not know is how to bring people back to life'. That turned into one of the most quoted pandemic aphorisms. Reality has been different for Ghanaians dealing with a lack of

jobs and rising prices as well as public health concerns. Food prices rose 14.4% last month.

Public opinion over the lockdown was split between the majority working on a daily wage in the informal economy for whom the restrictions on movement were an intolerable burden and those in more secure jobs for whom the lifting of the lockdown on 20 April was risky and premature.

Their worst fears were confirmed when reports emerged this month of a fish factory worker at Tema Port who infected another 533 people with the virus. But with just under 7,000 confirmed cases on 26 May, Ghana is well below hotspot countries such

as **Egypt** with over 18,000 and South Africa with over 26,000.

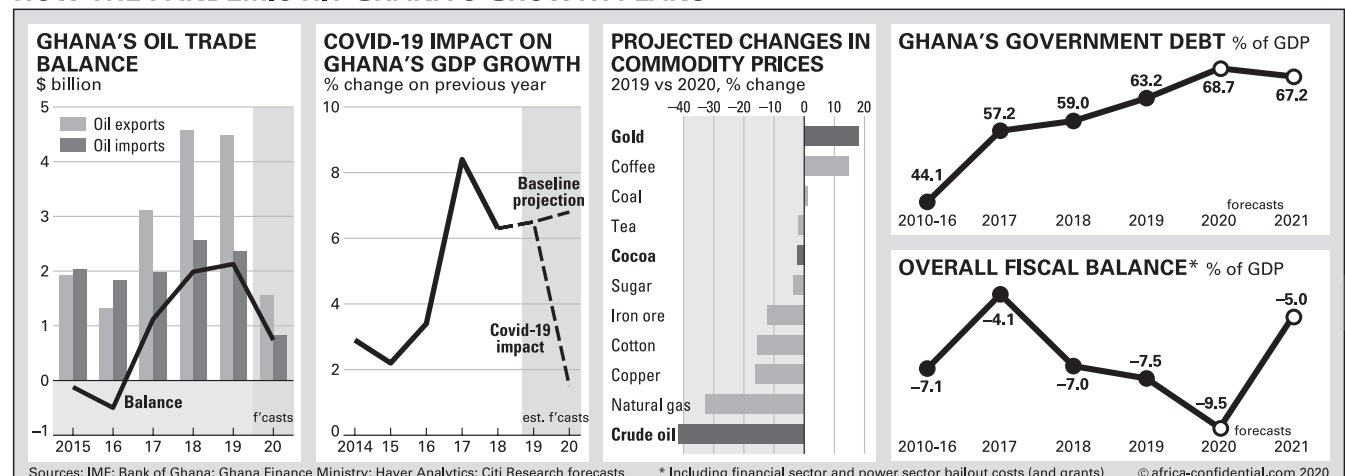
As elsewhere, lack of test data makes forecasts problematic. But the World Health Organisation's working hypothesis is that the pandemic will linger for at least another three months before the caseload peaks.

Much clearer are the pandemic's effects on livelihoods and politics. According to the government's figures, economic growth will fall to 1.5% this year, the lowest for 37 years. That gloomy prognosis, though far from the worst in Africa, reflects the slowdown in global demand for some of Ghana's commodities and the blockages on regional trade.

Akufo-Addo's key policymakers, finance minister **Ken Ofori-Atta** and central bank governor **Ernest Addison**, moved quickly at the start of the emergency in March with more social service funding and a request for finance from the International Monetary Fund.

Ofori-Atta, as chair of the United Nations' Economic Commission for Africa negotiations on debt relief and

HOW THE PANDEMIC HIT GHANA'S GROWTH PLANS



the IMF/World Bank development committee meetings last month led calls for the big financial institutions to respond with finance and flexibility (AC Vol 61 No 9).

Ghana, as a relatively diversified economy, is better placed than others in the region. Cuts in oil production, partly due to underperformance at the fields managed by Tullow Oil, and lower global oil prices have been balanced by more stable cocoa revenues and higher gold prices.

Gold is the biggest export commodity this year, although overall export revenues have declined sharply since January. State finances have also been boosted by the February issuance of a US\$3 billion Eurobond – divided between 14-year and landmark 40-year tranches. That was lucky timing, just weeks before yields shot up and most African borrowers were shut out of the Eurobond market.

So far, most foreign investors have held onto their domestic cedi-denominated debt holdings although there have been some outflows as the big funds move their money out of emerging markets.

Citi's Chief economist for Africa,

David Cowan, says Ghana can finance its growing deficit at least through the third quarter. The Treasury can draw, Cowan points out, on the Eurobond foreign exchange inflow combined with the \$1bn Rapid Credit Facility funds from the IMF, and flows from the World Bank and other sources such as the Ghana Stabilisation Fund.

POLL PRESSURE

The problem would come if the economy fails to start recovering towards the end of the year. That would pose a political problem for the governing New Patriotic Party. National elections are due at the beginning of December and pressure will mount for spending on vote-winning projects (AC Vol 61 No 1).

Cowan suggests that the coronavirus disruption gives the government a strong case to breach the 5% limit on budget deficits set in the 2018 Fiscal Responsibility Act.

This would allow the government a more flexible response to the financing pressures but it would also raise demand for more transparency on the costs of bail-outs for the financial and power sectors (AC Vol 60, No 23).

In February, the finance ministry

said that all the legacy debts to the bulk oil distributors has been paid. It added that it has paid 5bn cedis (\$863 million) to the receiver of savings and loans, microfinance and microcredit institutions to compensate their depositors for losses.

Yet the cost of bailing out the financial sector is increasing sharply, well beyond the 16.4bn cedis (\$2.8bn) that Ofori-Atta announced in the 2020 budget statement last November.

Those problems date back to the government's bank reforms in September 2017 when its new rules on capital adequacy forced a spate of mergers and closures, cutting the number of banks to 23. At the same time, the government had guaranteed the depositors' funds.

Years of mismanagement, corruption and over-priced procurement in the power sector still weigh heavily on the Treasury. The IMF has warned that, should Ghana not resolve financial chaos and the 'structural deficit' in the power sector, cumulative costs from the country's power sector could rise to \$12.5bn by 2023.

Ghana's overall debt will also rise much faster than forecast and the

ELECTION CAMPAIGNING BY OTHER MEANS

With elections six months away, political considerations are shaping arguments over the response to the pandemic, and who might benefit. At the same time, leading figures in the governing New Patriotic Party (NPP) and its rivals in the National Democratic Congress (NDC) are revisiting, albeit selectively, some of the worst state contracts over the past decade.

Until now, no party has shown much interest in opening up independent investigations into the many power, oil and gas contracts negotiated on suspiciously poor terms for the government. The most egregious – gas turbines from **Ameri** in the **United Arab Emirates**, floating power stations from **Karpower** in **Turkey**, and a gas pricing deal from **Italy's ENI** and **Switzerland's Vitol** – were negotiated by the last NDC government.

After coming to power in 2017, the NPP announced it would renegotiate what it had described in opposition as ruinous contracts. There have been talks but little evidence of success. The Karpower contract, stipulating one of the highest kilowatt-hour tariffs in the world, has been extended for five years and the company feted in Accra. A much-criticised port contract in Tema, signed by the NDC, has gone ahead under the NPP and a leading dissenter sacked from the port authority.

Setting up the office of the Independent Special Prosecutor has taken far longer than promised but its first occupant, **Martin Amidu**, a former Attorney General, has taken on an epic case: the allegation that individuals in and around President **John Dramani Mahama's** government benefited from corrupt payments from Europe's Airbus linked to the sale of military transport planes as part of a wider international bribe scheme.

In confidential talks with prosecutors in **Britain**, **France** and the **United States**, Airbus has admitted guilt and paid some \$4bn in fines. It has also provided Ghana's government with some details of its sale of three Airbus C295 military planes in 2011 and 2015, when the NDC was in power. As top officials in the NPP cite papers linking **Samuel Adam Mahama**, the former President's brother, to the deal, Amidu's office is pushing ahead with the case. Mahama's team deny all wrongdoing.

Yet the timing could hardly be better for the government as Mahama tries to regenerate his campaign to win back the presidency in December. On 21 May, an outfit calling itself 'Open Source Investigations' released a report accusing finance minister **Ken Ofori-Atta** of a gross conflict of interest, via his indirect stakes in a joint venture company with ExxonMobil on the Deepwater Cape Three Points oil block. The report says that Exxon, which has 80% of the joint venture while the Ghana National Petroleum Corporation has 15%, was going to sell 5% of the equity to local magnate **Sam Jonah's** company, Griffon Energy, in September 2018.

Three months later Exxon changed its mind and decided to bring in GOIL, a retail oil company owned jointly by the state and some high-profile Ghanaian companies. Among the investors are Databank and Enterprise, both companies founded by Ofori-Atta and his associates.

So far, Ofori-Atta has made no public statement on the matter but a source close to the government said the report was 'obviously aimed at throwing imaginary muck'. When GOIL, until then 100% state-owned, listed on the stock exchange in 2007, the source said, it wasn't a success and the government pressured entities such as the Social Security Bank to take stakes, including Ofori-Atta's Databank and Enterprise Group.

Both affairs, along with the legacy of questionable big-ticket procurement deals, are set for a high-profile airing as the election campaign heats up in the months ahead. ●

ratings agencies are struggling to keep pace with changing conditions. In January, Moody's upgraded Ghana's B3 rating outlook from stable to positive due to its strong GDP growth outlook, fiscal consolidation and 'pro-active debt management'. Three months later it cut Ghana's outlook to negative due to the coronavirus.

Fitch, which last month reaffirmed Ghana's B rating outlook as stable, forecasts the economy will rebound rapidly when the coronavirus subsides. In March, the Bank of Ghana cut the policy rate to 14.5% from 16% to boost domestic credit growth. This month it announced the signing of a \$1bn repo agreement with the US federal reserve to bolster foreign exchange liquidity and its purchase of a local 5.5bn cedis (\$950m) government 'covid-19 relief bond'.

In committing to buy up to 10bn cedis (\$1.7bn) in government bonds to cover the growing financing gap and doing more to protect local banks, Addison is becoming more interventionist, with the support of banks in Accra, many of which expect profits to fall and non-performing loans to rise.

BANK CONTROLS

Banks are unlikely to lend more under current conditions, say analysts, if businesses are unable to make profits. The best-run companies hope just to break even, one commented. Accordingly, the Bank of Ghana is reducing banks' minimum capital adequacy ratios and allowing more flexibility to loan-loss provisioning to deal with a rise in bad debts. It has also barred banks from paying dividends

to shareholders until further notice. Without the 2017 reforms, many more banks would have been in deep trouble by now.

Although Ghana spends more on healthcare per head than most governments in the region, the emergency is stretching the limits. Akufo-Addo announced a \$100m 'preparedness and response' budget in March, a hefty increase on the \$6.5m originally proposed.

Other fiscal measures include a 600m cedi (\$100m) stimulus, launched by Ofori-Atta, for small and medium companies in manufacturing, pharmaceuticals and tourism, although that is seen as woefully inadequate by Ghana's Trades Union Congress and opposition parties. Those voices will get louder ahead of December's elections. ●

RWANDA

Genocide manhunt goes on

After French police arrested one of the men accused of organising the 1994 genocide, relations between Paris and Rwanda are set to improve

Félicien Kabuga, who is accused of complicity in the Rwandan genocide and had been one of the world's most wanted fugitives, was arrested in the upmarket Parisian suburb of Asnières-sur-Seine on 16 May. Prosecutors have asked that he be transferred to the Hague, and then tried in Arusha, **Tanzania**. Kabuga's lawyer is resisting Kabuga's transfer from **France**, and has described as 'scandalous' prosecutors and press calling his client a *génocidaire* before he has been convicted.

Kabuga was one of pre-genocide Rwanda's wealthiest businessmen. He owned tea plantations, a flour mill, several hotels and other properties in Kigali, and financed Rwanda's infamous *Radio Télévision Libre des Mille Collines* (RTLM) radio station, which described Tutsis as 'cockroaches' and repeatedly urged their extermination in the build-up to and during the 1994 genocide.

Kabuga is also accused of paying for the importation of thousands of machetes to facilitate the murderous work of the *Interahamwe* Hutu militia. Two of Kabuga's daughters are married to the sons of President **Juvenal Habyarimana**, whose death when his jet was shot down set off the mass killings. Another married **Augustin Ntirabatware**, who was Minister of Planning from 1990-94 and is currently serving a 35-year sentence for

incitement to genocide.

The International Criminal Tribunal for Rwanda (ICTR) laid 11 charges against Kabuga in 2001, including genocide, direct and public incitation to commit genocide and crimes against humanity.

Before his arrest, Kabuga had been quietly living in France for several years under an assumed name with his children. Prior to that, he spent time in **Belgium**, **Switzerland**, **Germany** and, from 1996-2010, **Kenya**. Kabuga received protection there on the orders of President **Daniel arap Moi**, which continued well into the presidency of **Mwai Kibaki** (AC Vol 44 No 2). In 2003, during Kibaki's presidency, Kenyan journalist **William Munihe Gichuki** was on the verge of informing **United States** investigators of Kabuga's whereabouts in the country in return for a US\$5 million reward they had offered, when he was murdered and his body mutilated with acid, it was claimed. Gichuki's family has been calling on the Kenyan authorities for justice ever since, but to no avail (AC Vol 50 No 14).

Investigators for the International Residual Mechanism for Criminal Tribunals (IRMCT), which handles all ICTR business since it stopped sitting, have congratulated the French, Belgian and **British** authorities for their cooperation in the investigation that led

to Kabuga's arrest.

For years, the French authorities dragged their heels in sharing information with international investigators about suspected Rwandan *génocidaires* on French soil, but under President **Nicolas Sarkozy** and even more so under President **Emmanuel Macron**, France's stance towards Rwanda has undergone a 180-degree pivot, and Paris now strongly supports President **Paul Kagame** (AC Vol 58 No 20). Thirty Rwandan genocide suspects are believed to be under active investigation in France.

MACRON'S MOVE

Macron's calculation appears to be that with the US and UK governments increasingly troubled by Kagame's human rights record and his militaristic regional policies, the opportunity for France to 're-recruit' Rwanda was too good to miss.

While in previous years reports that Rwandan troops are deployed across the Kivu provinces of Congo-Kinshasa, as has recently been alleged by the French state-owned broadcaster Radio France International (RFI) and denied by Kagame, would have led to stern warnings from the Elysée, and possibly hostile interventions too from the French delegation at the UN Security Council, this time Paris has been silent.

Kabuga's arrest means that six men indicted by the ICTR for genocide are still at large; ex-Presidential Guard Commander **Protais Mpiranya**; former judicial police inspector **Fulgence Kayishema**; ex-Rwandan army Lt Col **Pheneas Munyarugarama**; former mayor of Gisovu **Aloys Ndimbat**; businessman **Charles Ryandikayo**; and ex-mayor **Charles Sikubwabo**. The seventh name on the list was removed

earlier this month when the remains of former Rwandan defence minister **Augustin Bizimana** were identified by DNA analysis in Pointe-Noire, **Congo-Brazzaville**.

IRMCT chief prosecutor **Serge Brammertz** says his office has 'credible intelligence' about the whereabouts of all six. He complained to the UN

Security Council twice last year that a lack of cooperation from some countries was preventing him from making progress. **Brammertz** and IRMCT president **Carmel Agius** have singled out the **South African** government for allegedly failing to cooperate, and to arrest **Mpiranya**, who they say is hiding in the country. South Africa denies this,

and says it has issued an arrest warrant for **Mpiranya** and that it has previously arrested several other suspected *génocidaires*.

Kabuga, meanwhile, is likely to be transferred soon to the Hague, although Covid-19 restrictions on travel mean that it is likely to be some time before the 84-year-old goes on trial in Arusha. ●

ZAMBIA

Gangs of the Copperbelt

The Patriotic Front has helped groups of artisanal miners form companies in return for delivering the vote in this crucial region

As so often in Zambia's elections, the Copperbelt will be decisive in next year's general elections and President **Edgar Lungu's** Patriotic Front (PF) is facing an uphill battle there. Over the past two years, economic growth has slowed down, inflation has risen, copper prices have crashed, and the kwacha has tumbled (AC Vol 60 No 9). The coronavirus pandemic looks like only the latest in a long line of hard blows to the living standards of ordinary Zambians.

Lungu and his left-leaning political predecessors used to be guaranteed overwhelming political support from the Copperbelt because they took care to favour the region with public spending, had close relationships with the mining trade unions and even with artisanal miners. This last group is becoming increasingly important to the PF politically, although their deals are controversial.

Key among the artisanal miners supporting Lungu has been a group known as the *Jerabos* (a corruption of 'jail-boy'), whose organised criminal activities include extortion, protection rackets and seizing mining assets. As vital power-brokers in the Copperbelt capital of Kitwe, the *Jerabos* cut a deal with President Lungu in 2015 at State House. In exchange for political support and a reduction in violence, Lungu agreed to recognise them as legal miners and gave them the rights to 10% of Black Mountain.

Black Mountain is a huge copper-mine tailings dump in the middle of Kitwe. Now owned by Tianjin Maolin Technology Company Limited and with substantial amounts of low grade copper ore, Black Mountain has been the site of illegal scavenging for decades. Since the mid-1990s, however, the tailings became exploitable by new extractive processes, putting the deposits, previously regarded

as worthless but mined by the artisanal miners, into contention.

During the early 2010s, violence became endemic as gangs of *Jerabos* from Kitwe's Wusakile area fought over access to the tailings. **Youngson Kalobo**, a local leader who eventually emerged as the victor, became pivotal in the 2015 deal with Lungu and politically influential. He was a controversial figure, praised by some as a generous community leader who deserved respect, but seen by others as a gang-leader who ruled by fear. After Kalobo died from natural causes later in 2015, the then Minister for Information **Chishimba Kambwili** attended his funeral, along with **Richard Musukwa**, former PF MP for Wusakile and the current Minister of Mines. Kalobo's older brother, **Pavyuma Kalobo**, was then elected as an independent MP for Wusakile in 2016. Some 50 Hummers, convertibles and 4x4 vehicles were in the procession through town and Kalobo's corpse was on view in a golden coffin.

GOING LEGAL

The outcome of the 2015 deal was that, at Lungu's insistence, the seven *Jerabo* gangs turned into seven legal companies under one overarching company, Chapamo Mineral Processing Limited. In 2018, Lungu allocated the 10% stake of the state-owned ZCCM Investment Holdings in Black Mountain to Chapamo. The Copperbelt Provincial Minister at the time, **Japhen Mwakalombe**, denied the decision was political and claimed the move was about 'youth empowerment'.

Chapamo and its subsidiary companies quickly organised excavators and trucks to scoop out the mountain and hauled the ore to Chinese middlemen who processed it in flotation tanks. By 2019, Chapamo had mined out

their allocation on the Black Mountain and now requires a new allocation to continue business. It looks as though the PF, which swept the Copperbelt in the 2016 general election, will hold up its end of the political bargain and arrange another mining concession, presumably with the quid pro quo of voter support in next year's election.

Chapamo director **Kelvin Tembo**, a signatory of the 2015 State House deal, told *Africa Confidential*, 'We will get another allocation very soon.' The Copperbelt human rights activist and popular musician, **Fumba Chama**, known as Pilato, describes the interests involved. 'Towards the elections, the *Jerabos* had invested so much money in the campaigns for the PF...so in trying to pay back that investment that was made by the *Jerabos*, the government promised them a share of these dumpsites.'

Tembo is full of praise for the legalisation of the previously illegal practices, saying that it has given the *Jerabos* a sense of self-worth. He is adamant that the violence that sprang from rival efforts to access the resource is now over and that the President deserves credit for steering the *Jerabos* away from gangsterism.

Chapamo leaders present the 2015 deal as an example of good governance and a solution to illegal mining, pointing to moves by mines minister **Musukwa** to force them to improve safety and security. For them, the deal is an example of Lungu's concern for the welfare of artisanal miners and the impoverished youth of Kitwe.

Spokesman for Chapamo **Samson Mpembwe** argues that with the mining industry facing difficulties crime is increasing, and warns that without a new allocation social unrest, unemployment and criminality can only grow.

He also called for the government to lend money to Chapamo and its subsidiaries so they can buy mining equipment instead of having to rent it.

Local communities have come to see the leftovers of the big mines, such as Mopani Copper Mine, controlled by Glencore, as their legacy by right.

The copper made the British rich under colonialism, then the international mining companies, and



then the politicians, they say. They feel entitled to whatever is left.

Boniface Mumba of the Centre for Environment Justice, an NGO that specialises in small-scale mining issues, points out the frustration of growing up poor in Kitwe but surrounded by copper. The mentality of the *Jerabos* is, according to him, that they have no choice but to take a share of the copper resources, whether it is scavenged slag or hijacked concentrate, and by any means possible.

On a visit to the tailings to see the working conditions, *Africa Confidential* witnessed a confrontation between the police and miners, whom they were evicting from a dangerous pit in the the Mopani tailings. Tembo says that Mopani reached a compromise with the miners allowing them to take mining waste, but

the slag was not being provided so they returned to the tailings.

One angry miner appealed directly to the government. He said, 'We are asking from the government, from the bigger boss, from the president himself, to remove these policemen, to leave us alone as we are here.' An observer told *Africa Confidential* that the police had arrived to prevent two rival gangs from clashing over 'ownership' of the mining area.

The Lusaka-based Centre for Trade Policy and Development wants the government to recognise illegal artisanal miners, many of whom are not involved with the *Jerabos*. Recognition would secure livelihoods, reduce exploitation, and bring people into the tax system, the Centre maintains.

While agreeing that the 2015 deal has brought a reduction in violence in Kitwe, the Centre's Executive Director, **Isaac Mwaipopo**, is concerned that the recognition process of small-scale miners has been politicised and that not all of them are benefiting. The PF government will make a new allocation to Chapamo before the 2021 election to ensure that the former *Jerabos* have enough resources, he said, '...to support party-related functions like fundraising ventures'.

CORPORATE CONCERN

For its part, the Zambia Chamber of Mines, representing the corporate mining concerns, is worried about the impact of crime on its members across the Copperbelt. **Yewa Kumwenda**, Research and Policy Manager at the Chamber, told *Africa Confidential* that armed gangs invade commercial mines, cut down pylons, steal conveyor belts and electric cables, and hijack ore trucks. The Chamber wants prosecutors attached again to the mines, swift trials and heavy sentences.

Kumwenda argues that companies like Chapamo should not rely upon allocations from government. Using profits gleaned from the Black Mountain and other allocations, they should invest in exploration for virgin assets or form joint ventures with holders of existing but unexploited assets. In other words, they should become commercial mining companies independent of government largesse. ●

SUDAN

Quicker march for the military

Pressure is mounting on Premier Hamdok to step up the pace of reform, cutting into the generals' economic interests

The Sovereignty Council (SC) – the supreme authority running Sudan – has been dragging its feet on reforms that the Forces of Freedom and Change (FFC) alliance say are essential. Activists blame the preponderance of conservative officers for lack of progress. They want Prime Minister **Abdalla Hamdok's** Council of Ministers to take a more robust line with the generals, unravelling their business interests and holding them to account on accusations of abuse.

The civilians and military sharing power are at loggerheads over the pace of the dismantling of the intricate structures that the ousted President **Omer el Beshir** created to protect his rule. Opposition sources blame SC

chair Lieutenant-General **Abdel Fattah Burhan** for obstructing progress by putting Lt Gen **Yasir al Atta**, a former Beshir loyalist and Islamist, in charge of the committee heading the process.

For many in the military that committee has gone too far, too fast. It has been reclaiming properties confiscated by the Beshir regime, removing his appointees to civil bodies, and opening investigations against individuals and entities linked to him.

One reform that the military is especially reluctant to embrace, we hear, is the transfer of military industries to the ministry of finance. Finance Minister **Ibrahim el Badawi** says these could release up to US\$2 billion to help save the ravaged economy.

The businesses concerned are part of the parastatal Defence Industries Systems that Burhan became chairman of by virtue of his position as head of the armed forces and leader of the Transitional Military Council (TMC) for the past year.

These businesses run the gamut from the Yarmouk munitions factory attacked by Israel in 2012 to recreational parks, and still operational food- and meat-processing factories (AC Vol 53 No 22).

The military has also been making its presence felt within the SC on the peace talks with **South Sudan**, especially since the death in Juba on 25 March of Lt Gen **Jamal Omar**, the former defence minister appointed as part of the accommodation between the TMC and the FFC last August.

Omar was involved in the talks on the integration of the coalition of armed rebels against Beshir, the Sudan Revolutionary Front (SRF), into the Sudan Armed Forces (SAF), and his death has stalled progress.

The SRF wants the Rapid Support Forces of Lt Gen **Mohamed Hamdan Dagalo 'Hemeti'** to be absorbed into

the SAF before the SRF, so that it would not continue as an independent military force outside the SAF chain of command, a source familiar with the talks told *Africa Confidential*. SAF officers are not believed to be happy about the prospect of bringing Hemeti's militiamen into their ranks.

So far, the SC has not appointed a new defence minister and the question of absorbing irregulars into the SAF remains in abeyance. SC member and reputed Islamist Lt Gen **Shamseddine Kabbashi** is thought the person most likely to succeed Omar.

Another factor prolonging the talks is the FFC's demand that the government dismiss all the provincial governors appointed by Beshir and replace them with civilians. The SRF has hardened its position on the governors by insisting on being included in their selection.

HAGUE THREAT

The military is also making its presence felt in the reforms of the judicial system, and the senior officers in the SC are insisting on not handing over Beshir to the International Criminal Court (ICC) in the Hague, which has charged him with genocide (AC Vol 49 No 16).

SC member Lt Gen **Salahuddin Abdel Khaliq Saeed** insists Beshir will not go to the Hague. Burhan says the military is open to Beshir being tried in Sudan, which most pundits believe means that he would be acquitted if the judiciary were not reformed beforehand.

Beshir is serving a sentence for money-laundering, although not in a prison, but prosecutors have called for the trial of the ex-President and his military co-conspirators over the coup that brought him to power in June 1989 (AC Vol 61 No 4).

Burhan is still, we understand, in the process of promoting officials loyal to him and retiring men linked to Beshir. He does not want to hand Beshir over for trial – wherever that is – until this process has gone further and removed the risk of Beshir loyalists moving against him.

Not that Burhan himself is free of the risk of prosecution, especially over crimes the army is accused of committing in Darfur under Beshir and the murderous clearing out of the Khartoum protest camp last June, which cost over 100 lives. Burhan and Hemeti alike are trying to burnish their public images and want guarantees they won't be prosecuted.

The military is less concerned with protecting civilian associates of Beshir and is raising no objections to the criminal investigation of **Wagdi Marghani**, a well-known business magnate. **Osama Daoud Abdelatif**, a tycoon who controlled domestic wheat production under Beshir, may also be investigated, local media said.

Daoud's business is still going, and he recently arranged a \$75 million loan with the African Development Bank.

Sudan's earlier payment of \$30m to the families of the victims of the attack

on the USS Cole in 1999 and Hamdok's visit to Israel in February have helped improve Khartoum's standing in Washington. US Treasury Assistant Secretary **Marshall Billingslea** said in March that the two capitals were working on removing Sudan from the US list of countries that sponsor terrorism. This has allowed the transitional government to hope for compromise over the \$10bn judgement by US civil courts against Sudan over its involvement in the *Al Qaida* attacks on the US embassies in **Kenya** and **Tanzania** in 1998. Everything is on hold, however, during the Covid-19 pandemic.

MONEY TROUBLE

A donor conference should take place in June and offer opportunities to revamp the ravaged economy and lower an inflation rate of 71%. In the meantime, Hamdok has formed an economic committee headed by himself and Hemeti. It is likely that the treasury will print more money to cover shortfalls. Civil service salaries were increased by 569% on 16 April as a temporary economic measure. Long queues for bread, petrol, and basic commodities are seen everywhere.

As the economy worsens, more and more eyes in the transitional government turn towards the vast – or imagined – wealth under the control of the military as the exit strategy from the economic doldrums. ●

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POINTERS

EU/Africa/tax

BRUSSELS' BOIL WASH

■ **Botswana, Ghana and Zimbabwe** have joined **Mauritius** on the European Commission's list of high-risk third countries which Brussels says are deficient in their fight against money-laundering.

The list means that banks must apply stricter due diligence to financial flows involving those countries, and companies there may not receive EU funds. Many EU officials question its value, however, especially since the question of tax avoidance and financial information exchange remains a sore point in EU-African relations.

African critics complain that the Commission gives them little chance to explain their tax regimes. While Mauritius was warned at the start of the year that it faced being penalised because of its banks' failure to tackle terrorism-financing, officials in Botswana and Ghana were not.

For all the talk in Brussels about financial transparency, several territories under EU jurisdiction have corporate secrecy provisions that would not meet those standards. Nor has the EU done much to crack down on its multinationals exploiting tax treaty loopholes to avoid billions of dollars in taxes to African treasuries each year, they say (AC Vol 59 No 5). The African Caribbean and Pacific (ACP) community has described the listing process as 'unilateral and discriminatory'.

To be removed from the list, as **Ethiopia** and **Tunisia** were this year, governments must comply with the EU's anti-money-laundering regulations and make information on beneficial owners of companies and trusts publicly available.

The EU now intends to take a more aggressive approach to money-laundering by creating an arm to fight financial crime and monitor banks and other issues around monetary transactions.

Mozambique

NO SMOKE WITHOUT FRELIMO

■ Allegations of drugs crime and bribery are dogging President **Filipe Nyusi's** family. The transparency watchdog *Centro de Integridade Pública* has accused the President's eldest son **Jacinto** of laundering money in property transactions in **South Africa**. CIP says he bought properties in Cape Town with proceeds from the infamous hidden loans scandal (AC Vol 57 No 10).

Now, rumours are circulating that a member of the President's immediate family has been linked to the **Brazilian** narco-trafficker **Gilberto Aparecido dos Santos**, known as '**Fuminho**' ('smoke'). Fuminho was on the run for 20 years before his arrest in Mozambique on 14 April and swift deportation to Brazil as part of a joint operation involving Interpol, the **United States'** Drugs Enforcement Administration and the Brazilian police.

Brazilian authorities said Fuminho came to Mozambique in mid-March, but sources in the ruling *Frente de Libertação de Moçambique* (Frelimo) close to the Nyusi family say he has been visiting the country for two years, and knew Jacinto well.

The accumulation of allegations against his family have sapped Nyusi's support in the party, especially among the old guard. They are preparing to move against him at the next party congress, we hear, which many expect to be brought forward to next year from 2022. Nyusi is expected to try to tighten his grip on the party by stuffing the Political Commission with loyalists who can protect him when he leaves office in 2025.

During the trial of Privinvest salesman **Jean Boustani** in New York last year, it emerged that one 'Nuy' or 'New Man' was paid US\$2 million in kickbacks from the hidden loans (AC Vol 60 No 24). Nyusi denies receiving this money or being 'Nuy'. In her annual address to Parliament in Maputo last week, Attorney-General **Beatriz Buchili** she was asked to publicly identify 'New Man' but refused.

Libya

WEST TOO WILD FOR HAFTAR

■ Although his Libyan National Army (LNA) still controls eastern and southern Libya, General **Khalifa Haftar** has suffered a string of heavy defeats in western Libya, leaving his hopes of entering Tripoli in tatters. On 19 May, the massive Al Watiya airbase, in Haftar's hands for six years, fell to forces loyal to the Tripoli-based Government of National Accord.

The base fell after the GNA forces struck a deal with beleaguered LNA defenders in six towns, which had a domino effect as the morale of Haftar's men crumbled.

Turkish military support, especially air defences from Turkish naval vessels near the coast, has swung the balance decisively towards the GNA (AC Vol 61 No 3). Haftar cannot match it and his main backer **Egypt** is not prepared to escalate to the level required to match Turkey's input. Neither is his other mainstay, the **United Arab Emirates**. Haftar flew to Abu

Dhabi on 11 May seeking greater support but left with empty hands, we hear.

Southern tribal militias and towns are said to be considering switching support to the GNA, and some members of the Haftar-supporting House of Representatives in Tobruk may be considering defecting to the GNA.

If GNA forces move against Haftar's operations centre in Tarhouna and Jufra airbase, however, the fear of reprisal killings is one factor that could stiffen Haftar's support base. If the GNA tried to move into eastern Libya, that could also rally local tribes behind him (AC Vol 60 No 19).

The **United States** heavily criticised **Russia** for moving six fighter-bombers to Jufra on 21 May in what is thought to be a signal that Moscow will not allow Haftar's reverses to turn into a rout without heavy retaliation.

African Development Bank

INTO EXTRA TIME

■ The battle for the leadership of the African Development Bank gets a new lease of life with the decision, under international pressure, by its executive directors to open an independent investigation into the conduct of incumbent President **Akinwumi Adesina**.

The Bank is due to hold its annual general meeting and elections in August, whose outcome will depend critically on what the new investigation uncovers. Until now, Adesina was expected to run for a second term unopposed (AC Vol 61 No 8).

This latest move will ramp up tensions between the Bank and its biggest non-regional shareholder, the **United States**. On 22 May, US Treasury Secretary **Steve Mnuchin** wrote to **Côte d'Ivoire's** Development Minister **Nialé Kaba**, chair of the bank's governors, taking issue with her view that the board should adopt the conclusion of the institution's Ethics Committee that Adesina is 'totally exonerated of all the allegations made against him.'

Mnuchin argued that the whistle-blowers' complaint of 17 January required more examination. The Bank's Ethics Committee met five times between 27 February and 9 April under the chairmanship of **Japan's Takuji Yano**, who himself faces complaints from supporters of Adesina. Although the whistle-blowers provided no supporting evidence for their complaints, Adesina delivered a 260-page dossier to the committee dismissing the 16 points of complaint as 'politically motivated'.

We hear that a letter to the AfDB board from shareholders in **Denmark, Finland, Norway and Sweden** swung the argument for an outside investigation into Adesina.

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BLUE LINES

An extraordinary letter from James E Risch, chairman of the US Senate Foreign Relations Committee, to World Bank President David Malpass called for the strictest accountability on a \$7 million grant to Zimbabwe managed by the UN and the Catholic Church.

Risch wants the bank to stop the money falling into the hands of government, which it accuses of using foreign aid to 'suppress its population and enrich the ruling elite'. Opposition activists say Emmerson Mnangagwa's government is spending millions on over-priced medical supplies benefiting companies linked to the President's son Collins. The letter, copied to US Treasury Secretary Steve Mnuchin, suggests a still tougher line towards the government, which has been asking the Paris Club for emergency relief on its debt obligations. The Paris Club response is likely to be negative as conditions in the country deteriorate.

On 9 June, the UN Human Rights Commission in Geneva called for an immediate end to abductions and torture by the government. This follows claims from three opposition activists, Joanna Mamombe, Cecilia Chimhiri and Netsai Marova, that they were beaten and raped by police last month. Mnangagwa dismissed the claims as a foreign plot designed to foment unrest. And on 10 June, surrounded by generals, he called a press conference to dismiss widespread reports of a plot by ruling party dissidents and mutinous officers, to overthrow him in favour of a new government of national unity.

SOUTH AFRICA

Ruling party wants a reset

Using the pandemic as a pretext, top ANC officials jostle for positions, some arguing for radical and sweeping policy changes

Before the Covid-19 pandemic struck South Africa, President Cyril Ramaphosa and his centrist supporters were locked in combat with followers of former President Jacob Zuma, African National Congress Secretary-General Ace Magashule and Deputy President David Mabuza. The President's decisive lockdown strategy measures have left his rivals flatfooted. Having lost the opportunity to challenge the leader at the now-postponed party National Policy Conference, they are rethinking tactics, just as the health crisis has thrown up potential future leaders of the ruling party (AC Vol 60 No 16).

Ramaphosa is asserting himself more strongly, insiders say, than at any time since the general election. The pandemic has also been good for Health Minister Zweli Mkhize. As the competent face of the government's Covid-19 response, his mastery of communications, the timely use of external advice and his prompt reaction to incompetence by public officials has boosted his standing.

Minister of Co-operative Government and Traditional Affairs Nkosazana Dlamini-Zuma is also emerging as a potential successor, thanks to the executive powers she has within the National Coronavirus Command Council under the state of 'national disaster' declared on 15 March (AC Vol 61 No 11). She has overturned cabinet decisions and openly contradicted the President, such as in late April when she said the ban on tobacco sales would not stop at the end of the third week of the lockdown,

even though Ramaphosa had already announced it.

Dlamini-Zuma lobbied her allies in cabinet to overturn the original decision, using the support of allies of ex-President Zuma such as the ANC Women's League and ANC Youth League, we hear.

Publicly, however, the militantly anti-smoking Dlamini-Zuma said the decision was reversed because of the 2,000 petitions that had been received in favour of the ban, which now remains in place despite the lockdown easing to level 3 on 1 June. A succession battle is shaping up behind the scenes between Dlamini-Zuma and Mkhize.

FALLING OUT

Mabuza has been marginalised in cabinet by Ramaphosa, and been overshadowed by Mkhize and Dlamini-Zuma. Mabuza has also fallen out with the wider Zuma faction in the ANC (AC Vol 60 No 1).

In a widely circulated Zoom interview by Zuma's son, Duduzane, with his father in late May, both men criticised Mabuza for allegedly not backing Dlamini-Zuma for the top post at the ANC's December 2017 national elective conference (AC Vol 58 No 25). They implied he should have because Duduzane helped Mabuza recover from supposed poisoning by facilitating medical care in Russia. In the same interview, Zuma slammed Ramaphosa for allegedly using 'money' to sway voting in his favour. 'Money won,' he said in reference to Ramaphosa triumphing over Dlamini-Zuma, his favoured candidate, for the ANC presidency.

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Opportunities for internal politicking have been limited by the ANC's postponement of all party conferences, including the National Policy Conference, where the pro-Zuma faction would have attempted to challenge Ramaphosa's leadership and his partnerships with business. That forum was to have witnessed, they hoped, a repeat of their triumphant challenge to President **Thabo Mbeki** in 2007, which soon led to his resignation.

The postponement of the policy conference gives Ramaphosa breathing space to consolidate his position. Travel restrictions and meetings bans prevent anti-Ramaphosa activists from mobilising against him in branch meetings. That is why Zuma and others have resorted to Zoom interviews.

South Africa's Electoral Court postponed all by-elections scheduled for 3 to 10 June 2020, along with associated activities such as voter registration and campaigning because of Covid-19. South Africa's Independent Electoral Commission is considering postponing next year's local government elections due to Covid-19.

Meanwhile, the cabinet is divided between those making wellbeing the top priority and those favouring getting the economy working again. The former group, which includes Mkhize and Dlamini-Zuma, argues that stopping Covid-19 should come before opening up the economy.

The second group includes Finance Minister **Tito Mboweni**, Trade and Industry Minister **Ebrahim Patel**, Minister of Small Business Development **Khumbudzo Ntshavheni** and Education Minister **Angie Motshekga**. They argue that the initial lockdown gave the government enough of a breather to bring healthcare capacity up to scale to tackle a peak outbreak when it comes, estimated to be around July/August/September.

'Restarting more parts of our economy is important and we are working hard to ensure that industry follows best practice to protect the health and safety of all our citizens,' says Patel. Mboweni told Parliament's finance committees the quicker

government brought the lockdown to level 2 the better.

Some ANC leaders, such as Patel, see Covid-19 as an ideological opportunity to pursue state-led economic restructuring, with new regulations for greater state interventions in the economy. But others, such as Mboweni and Public Enterprises Ministers **Pravin Gordhan**, have a much more centrist view and want to use the pandemic to usher in neo-liberal economic reforms in leading the restructuring of the post-Covid-19 economy.

The left/populist part of the ANC leadership sees the Covid-19 crisis as a crisis of capitalism, and the Congress of South African Trade Unions (Cosatu) and the South African Communist Party have called for Covid-19 to be used by the government to create new state-owned companies where private companies fail. The SACP's central committee said: 'The capitalist system is the cause, not the solution, of the interrelated challenges of the Covid-19 pandemic, deepening economic crisis and associated crisis of social reproduction'.

This faction of the ANC sees the wave of unemployment and factory closures in the private sector as an opportunity, arguing that the state sector, with reinvigorated state-owned enterprises in the lead, should drive the post-Covid-19 economy restructuring.

NO PAIN GAIN

The managers of the failing SOEs see the Covid-19 crisis as an opportunity to secure more state support without going through the painful reforms that have been mooted, and it looks as though they will win further reprieves, in spite of the hard line against this that Mboweni and Gordhan took before the pandemic. They have been outvoted in cabinet, we understand, and are reluctantly going along with the statist mood.

South African Airways, the flag carrier currently in business rescue, is very likely to be bailed out yet again, we hear. A draft plan seen by *Africa Confidential* proposes a working capital injection of at least 2 billion rand (US\$119 million), another R2bn to fund a retrenchment scheme and R600m to pay general concurrent creditors.

The Land and Agricultural Development Bank of South Africa (Land Bank) at the end of April 2020 defaulted on R738m (\$44m) in obligations to lenders after facing cashflow problems. The government is now under pressure from the left, the statist and the populists within the ANC to bail out the bank, which provides 28% of the country's agricultural loans.

The bank has asked for a R22bn cash injection, with R5bn now and another R17bn later. This looks like happening.

The Public Investment Corporation (PIC), which manages more than R2trillion on behalf of the Government Employees Pension Fund (GEPPF) and the Unemployment Insurance Fund (UIF), has put together a proposal to state energy utility Eskom. Before Covid-19 Cosatu proposed that the PIC should provide R250bn to pay part of Eskom's R450bn debt. The proposal, if approved by cabinet, would see the R200bn in bonds that the PIC and GEPPF have in Eskom converted into equity (AC Vol 59 No 24).

Seeing this as a serious threat to the future livelihoods of pensioners, the opposition Democratic Alliance (DA) has already said it would seek legal recourse to stop the government using pension funds to bail out Eskom.

An internal ANC discussion document, put together by the party's economic transformation committee and seen by *Africa Confidential*, proposed pension funds as the source of capital to rebuild the economy post-Covid-19, and also to invest in infrastructure. The plan suggests amending regulation 28 of South Africa's Pension Funds Act so that the government can compel portions of pension investments to be invested in infrastructure.

The document also proposed that the South African Reserve Bank, the central bank, directly fund state-owned development finance institutions, such as the Land Bank, the Industrial Development Corporation (IDC) and the Development Bank of Southern Africa (DBSA) to finance a post-Covid-19 recovery plan, and set up a new R500bn (\$30bn) fund for the purpose.

In this climate it also seems likely that the government will now accelerate its decision to create a separate state bank to finance development and infrastructure. Some groups in the ANC leadership and cabinet also see the Covid-19 crisis as a chance to accelerate the establishment of a National Health Insurance, by bringing the private health sector closer under the state umbrella.

The SACP and Cosatu have called for the establishment of a state pharmaceutical company in the light of global pharmaceutical shortages because of Covid-19. The SACP central committee, in a discussion with Mkhize, the transcript of which *Africa Confidential* has seen, stated the government must push for a 'more ambitious and higher impact localisation programme' in the pharmaceutical sector. ●

NIGERIA

New chief, old battles

President Buhari's top aide Ibrahim Gambari faces an array of rival interests trying to shape the government's direction

In the best traditions of international bureaucracy, **Ibrahim Gambari**, 75, has been consulting widely but quietly as he acclimatises to his new role as President **Muhammadu Buhari's** chief of staff. Appointed on 12 May, Gambari, who spent 20 years in New York, first as Abuja's ambassador to the United Nations and then with the UN itself, believes he can bolster the capacity of the President's office to push through Buhari's policies, many of which are threatened by the coronavirus pandemic and political infighting in the government. It will be a tough battle.

Over the remaining three years of his presidency, Buhari wants definitive progress in countering deepening insecurity – Islamist insurgency in the north-east, banditry and cattle rustling in the north-west and the continuing herder-farmer clashes in the Middle Belt.

Key to progress on that front are the service chiefs, whose retirement on grounds of age and competence is confidently predicted in Nigeria's press. But Buhari shows no signs of pushing them out. Another problem is the poisonous relationship between Buhari's National Security Advisor General **Babagana Monguno** and the service chiefs (AC Vol 61 No 5).

Gambari's predecessor, **Abba Kyari**, had sided with the service chiefs against Gen Monguno over matters of procurement and policy. The signs are that Gambari, whose appointment was strongly backed by Monguno, will be more balanced between the two groups.

Having worked as a UN special envoy to military-led regimes in **Myanmar** and **Sudan**, Gambari's expertise on security issues is rooted in diplomatic negotiations. That will be of little use in the military's fight against the insurgents in the north-east, as neither side is interested in talks.

Gambari's diplomatic efforts might help resurrect the Multinational Joint Task Force, in which Nigeria is meant to play a leading role along with **Chad**, **Cameroon** and **Niger** to coordinate action against the insurgents. Strictly speaking, that should be the role of foreign minister **Geoffrey Onyeama** (AC Vol 60 No 15).

In the Middle Belt, support for Gambari's appointment from retired Gen **Theophilus Danjuma** could

prompt renewed peace efforts. After lambasting the army's failures to tackle the herder-farmer clashes, Danjuma had distanced himself from Buhari and the service chiefs.

Danjuma, a billionaire businessman with his own philanthropic foundation, has been working on initiatives in the middle belt with Gambari's Savannah Center for Diplomacy, Democracy and Development, we hear.

LOW PROFILE

Along with Monguno's and Danjuma's backing, Gambari's appointment won the support of first lady **Aisha Buhari**, as well as being the President's first choice in a crowded field. For President Buhari, Gambari's apparent lack of

political ambition beyond 2023 may have been decisive along with his assurances of discretion and loyalty.

Kyari, who died of Covid-19 in April, was a high-profile advocate of reforms in agriculture, oil, energy and public finances (AC Vol 61 No 9).

'Low-profile and apolitical' summed up the early assessments of Gambari. Unlike Kyari, he eschewed a seat on the board of the Nigerian National Petroleum Corporation (NNPC) and Gambari is unlikely to follow Kyari's lead in wading into Nigeria's dispute with **Germany's** Siemens over the vital power transmission lines. Decisions are likely to revert to Power Minister **Saleh Mamman**, despite widespread concerns about his performance.

As the chief of staff role is not specified in the constitution, it is usually defined by the personality of the President. **Olusegun Obasanjo** led from the front, to make and drive policy, to wheel and deal and take to the public stage. This allowed his chief of staff Gen **Abdullahi Mohammed** to carve out a narrower role (AC Vol 46 No 17).

That choice may not be open to

ABUJA BATS FOR ITS BUREAUCRATS

On 12 June, the African Union decides on its preferred candidate for director-general's post at the World Trade Organisation (WTO) in elections to replace **Roberto Azevedo**, who steps down in September.

The WTO vote will be closely fought, against a backdrop of the pandemic, a rising economic nationalism and protectionism, and rivalries between **China** and the **United States**. The favourite is **Spain's** foreign minister **Arancha González**.

Kenya is backing its Sports and Culture minister, **Amina Mohamed**, a skillful chair of the WTO ministerial meetings in Nairobi in 2015. Benin, at odds with neighbouring **Nigeria**, is putting up its UN ambassador **Eloi Laourou**.

Egypt, which backs lawyer **Abdel Hamid Mamdouh**, insists that it is against the rules for Nigeria, which switched its pick on 4 June from **Yonov Frederick Agah**, its current representative at the WTO, to the former finance minister and World Bank managing director **Ngozi Okonjo-Iweala**.

In terms of lobbying weight and professional experience, Okonjo-Iweala clearly leads the field. Cairo, however, will argue that President **Abdel Fattah el Sisi's** close relations with US President **Donald Trump** favours their choice, especially when US-Nigeria relations have hit a new low. As all members of the WTO have to agree to the choice of the new director general, US backing is critical. Washington says it will not hesitate to use its veto.

Competition for another international post, the presidency of the African Development Bank, raised tensions between the US and Nigeria after US Treasury Secretary **Steve Mnuchin** faulted an internal investigation of complaints against **Akinwumi Adesina**, current president of the bank and a Nigerian. Mnuchin called for a second and external probe. With President **Muhammadu Buhari's** backing, Adesina rejected the US call as outside meddling. The Bank's board offered a compromise: the appointment of an external and independent expert to review the findings of the internal probe within four weeks.

On 9 June, **Jennifer Blanke**, the **Swiss-US** AfDB Vice-President, resigned. Seen as staunch ally of Adesina, her departure could alter the balance of forces. Mnuchin could now appoint his own candidate as Vice-President as part of a package, including institutional reforms, to dampen down Washington's hostility. Should Adesina survive the upcoming review unscathed, he could then stand unopposed for a second term at the bank elections in August. Such a deal would be welcomed by Okonjo-Iweala, whose public backing for Adesina has alienated some of her supporters in Washington. ●

Gambari. Buhari is a much more taciturn operator, reluctant to engage in detail over policy or even appear in public very often. Abba Kyari filled that vacuum. The question raised is who will fill it now if both President and chief of staff are low profile.

When it seemed that they were out of step with the President's agenda on governance, security, reform, Kyari felt obliged to step up to drive the President's agenda, a proprietorial approach that Buhari did nothing to dispel but which alienated rival networks.

Most of the politicians and officials in Abuja, except Buhari and Gambari, are planning for a new order after 2023 and will try to shape things accordingly.

Minister of State for Petroleum **Timipre Sylva** is the most obvious example of this. He has taken Abba Kyari's seat on the NNPC board and is said to be running meetings on behalf of Buhari, the substantive minister for

petroleum.

Sylva played no role in drafting the revised Petroleum Industry Bill (PIB) but he repeatedly says it is better, more transparent than the current law, and soon to be released as a way to attract billions of dollars of new investment into the oil and gas industry (AC Vol 59 No 16).

However, Sylva is steaming ahead with a new auction of marginal fields before the new law is introduced and in the most unpropitious market conditions for over two decades. The question is why now.

Sceptics suggest that Sylva wants to push through the auction, which will be a massive source of influence and political patronage for him, before the latest PIB is approved by the National Assembly. Under the new law his ministry will lose the power to oversee such auctions to an independent regulator.

Marginal fields were meant to oblige international oil companies to relinquish small fields of less than 10,000 barrels per day that they had capped as non-commercial. They should offer local companies fields to develop without exploration risk. But the last round in 2003 was used to buy political favours, with many winners either farming out to foreigners or not producing at all.

Sylva has fired the starting gun for the auction, for which applicants have to register by 14 June, after which they will have to submit their offers with decisions being made, and payments received, within three months. Industry experts will scrutinise the list of winning companies, together with the business people and politicians to which they are linked. It may be the last hurrah of the old oil patronage system. But no one in Abuja is holding their breath on that. ●

COVID-19/AFRICA

The dearth of data

The pandemic is spreading unevenly across Africa and officials warn of a growing number of hotspots threatening public health

When Kenyan President **Uhuru Kenyatta** addressed the nation on 4 June, he outlined a dilemma facing many governments. The scientists were telling him to maintain the lockdown while the economists wanted to loosen the restraints. 'I was not dealing with a right and a wrong: I was caught in between two rights,' he said.

He ended up loosening some restraints but extending the majority because of the potential loss of life if he opened the economy up too soon.

The argument is not just Covid-19 versus the economy. Lockdown in **China**, the **United States** and much of Europe has been harsh, but it came with social support providing food, medicine, and financial support to businesses to avoid job losses. Such safety nets do not exist in Africa. One senior **Nigerian** specialist told *Africa Confidential*: 'You can't have one without the other. You cannot lock down without support. But to do that the government has to have reserves... we simply don't have the infrastructure to manage such programmes of social support.'

African governments are reluctant to demand a level of compliance that an advanced industrialised country would expect, the official added. 'We cannot

expect people to adjust and accept what we ask of them. It just doesn't happen. Particularly as so many are from the informal sector and have no real comprehension of what a virus is,' said the **Nigerian** specialist.

At the end of last week, with the number of reported infections increasing exponentially – though more slowly than anticipated – President **Muhammadu Buhari** announced that churches and mosques could open, with social distancing. The big churches will probably be able to achieve this, but smaller institutions will not.

'MYSTERY DEATHS'

On 8 June health minister **Osagie Ehanire** announced that an investigation into 'mysterious deaths' in Kano in May concluded that '50-60% of the 979 deaths that occurred were likely to have been linked to Covid-19'. This is the first official admission of a major death toll and doubles the official toll in Nigeria as a whole. Other states have reported 'mystery deaths' which could mean that the virus is claiming far more lives than have been reported, a pattern probably repeated elsewhere in Africa.

John Nkengasong, Director of the Africa Centres for Disease Control and

Prevention in Addis Ababa, says that to have a reasonably accurate picture of how the disease is spreading, Africa will need to undertake 15 million tests, or enough to test about 1% of the population. 'To date,' he told the Voice of America, 'only 1.8 million people have been tested continent-wide'.

The Africa CDC is now taking the lead in developing the Partnership to Accelerate Covid-19 testing, with a parallel programme to recruit and train 'foot soldiers' to lead the follow-on contact and tracing work.

Health professionals are also considering the unintended consequences of reordering health service priorities to cope with the pandemic and the effect that could have on the mortality of those not receiving treatment for diabetes, cancer, and cardiovascular disease because of Covid-19. 'What we know now,' says Dr **Bente Mikkelsen**, Director of the Department of Non-communicable Diseases at the World Health Organisation 'is that not only are people with NCDs more vulnerable to becoming seriously ill with the virus, but many are currently unable to access the treatment they need to manage their illnesses.'

Now, as the rainy season starts, disrupted malaria control programmes will see mortality increase. Worst-case scenarios from WHO project that up to 769,000 people, mostly children under five years old, could die of malaria in sub-Saharan Africa this year.

Immunisation programmes have also suffered badly. Agencies were hugely relieved that the Global Vaccine Summit held on 4 June in London by

GAVI, the Vaccine Alliance, exceeded expectations with pledges totalling \$8.8 billion. Eight countries made their first ever pledge to GAVI, including **Burkina Faso, Cameroon and Uganda.**

The fallout from **United States President Donald Trump's** decision on 29 May to 'terminate today any relationship with the World Health Organisation' seems to be minimal and may not even happen in the end. His administration still has to serve formal notice of the intention to quit. On 18 May, in a four-page fax, he had given WHO 30 days to change its ways though without detailing what changes he wanted to see. Then, 11 days later, he quit via Twitter.

TRUMPED

Following the bruising encounter between Ambassador **Andrew Bremberg** and the African diplomatic corps at the UN in Geneva last month there had subsequently been some 'constructive discussions' between the two sides, we hear. However, the US diplomats had to withdraw after the President tweeted his decision to leave (AC Vol 61 No 10). It seems Bremberg had been blindsided by the White House.

The US Senate has to be involved if the US is to leave the WHO, having ensured that any arrears are cleared, and 'a full payment' is made for the year in which it leaves. This would leave the US with a bill of around \$200m, as its arrears have been mounting in recent years. ●

WRITING CHEQUES FOR THE CAMERAS

There is no shortage of international initiatives to find and then distribute a vaccine for the coronavirus. The four-hour virtual pledging conference for GAVI, the Vaccine Alliance, hosted by **United Kingdom Prime Minister Boris Johnson** on 4 June was the latest in a series of glossy photo opportunities for world leaders.

However, the plethora of summits and initiatives aimed at financing a Covid-19 vaccine has prompted concerns by officials that this could lead to public confusion over how, when and where the cash will be spent.

The UK has promised to be the largest single donor to GAVI, pledging £1.65 billion (US\$1.9bn) between 2021 and 2025, while the European Commission pledged €300 million on Thursday towards the \$7.4bn target. A jovial President **Donald Trump** pledged \$1.2bn on behalf of the **United States** over three years and **French President Emmanuel Macron** €500m.

Aside from the heavy death toll and economic damage, the measures to curb the pandemic have significantly disrupted supply chains, in turn hindering routine immunisation services for other diseases.

The World Health Organisation, the UN children's agency Unicef and GAVI warned last month that supply chain disruption had affected around 80 million children under the age of one.

The World Health Organisation has its own Covid-19 Solidarity Response Fund. Last month, world leaders pledged €7.4bn at a digital fundraiser to raise money for developing a coronavirus vaccine and treatments, under the heading of the Access to Covid-19 Tools Accelerator, hosted by European Commission President **Ursula von der Leyen**. A further pledging summit backed by the celebrity-supported Global Citizen will be held on 27 June.

'We had been nervous about donor fatigue – because so much focus has been on Covid – but it's absolutely clear that it hasn't hindered funding for GAVI,' a donor country official told *Africa Confidential*.

In the event, donors promised to cough up \$8.8bn, comfortably more than the \$7.5bn hoped for by GAVI officials.

GAVI also announced a new 'advance market commitment' mechanism to enable developing countries to get any effective Covid-19 vaccine when available, which will result in another fundraising drive for \$2bn.

'Once we have a Covid vaccine we need to make sure that we can get it across the world in a sustainable way and for the most vulnerable,' a UK official told *Africa Confidential*. ●

KENYA

Uhuru takes it out on his party

An angry President Kenyatta vents his frustrations on dissident Jubilee MPs. His deputy stays within the tent for now

For the first time in three years, President **Uhuru Kenyatta** invited all 404 Jubilee Party legislators – 337 MPs and 67 Senators – to a parliamentary group meeting at State House on 2 June. Only 212 made it. Perhaps the absentees knew what was coming.

The previous day, Madaraka Day, when Kenya celebrates the dawn of national self-governance, he had addressed the country on television to declare that his remaining two years in office would be marked by continued infrastructure development and the constitutional reforms of the Building Bridges Initiative (BBI).

The parliamentarians were therefore expecting a lengthy list of tasks on their role in realising that

legacy, which might even include reconciliation between the President and his deputy, **William Ruto**. The two have been at war for many months (AC Vol 61 No 6). Kenyatta's allies accuse Ruto of insubordination, corruption and sabotaging the President's development programmes by launching an early presidential campaign.

Instead, the President kept his guests waiting for two hours drinking tea in a large marquee on the State House lawn, a brooding Ruto among them. When the head of state finally showed up, he came with a foul mood rather than a written agenda. After a brief introduction to the crowd by Ruto, the President lurched into 30 minutes of off-the-cuff hectoring. The audience

gazed on in shock.

'Even an angry parent does not reprimand errant children as angrily as he did to us,' one of them told *Africa Confidential*. 'He sounded menacing and authoritarian'.

Kenyatta said that he was determined to leave a great legacy to Kenya through his Big Four agenda and build a new national unity of a kind not seen since independence in 1963, but that the Jubilee group was not helping him. He stated that he would continue uniting the country under the BBI with erstwhile opposition leader **Raila Odinga** whether the MPs liked it or not. In a dig aimed squarely at Ruto, the President said that he would only support a party candidate in 2022 who would support and secure his legacy, not undermine it. After his speech and without inviting any comments, he marched back into State House.

In that angry impromptu speech, Kenyatta inadvertently also revealed the source of the bitterness between him and Ruto and the party – behind-the-scenes ridicule of the President's drinking. The jokes have multiplied

since the March 2018 'handshake' with Odinga and the adoption of the BBI without consulting Ruto. In unguarded moments Ruto, whose phone is reputed to be tapped by the intelligence services, is heard sharing the jokes.

In remarks aimed as much at Ruto as at his supporters in Jubilee, Kenyatta said, 'You will soon know who I am. I will be so hard on you. I know what you have been doing and how you are referring to me. Those names that you have branded me... I know them. I am always given intelligence on each one of you when you are still asleep.'

Kenyatta asks his critics to respect his office even if they don't like him. However, even the most objective Kenyans are finding it difficult to separate the man from the legacy of government whose performance is judged poor compared to that of his predecessor, **Mwai Kibaki**.

Not all the errors ought to be attributed to him, of course. This year, GDP, according to the World Bank, is expected to grow at 1.6% due to the economic effects of Covid-19. Some think it could actually shrink. Even in the best-case scenario, per capita incomes will fall given the 2.3% population growth rate, and poverty levels will increase between now and the time Kenyatta leaves office in 2022. However, even before the Covid-19 crisis, the Jubilee government had managed the economy poorly, and under the International Monetary Fund (IMF) was about to make steep expenditure cuts in order to stem a growing public sector deficit that increased from 4.5% of GDP when Kenyatta and Jubilee took over in 2013 to 7.8% in 2019.

Part of the growth in that deficit is due to tax exemptions for political friends and companies committed to the government's local manufacturing policy to replace imports – a throwback to the failed import substitution efforts of the 1960s. Revenue has also been lost to corruption, which continues despite a spate of vigorous prosecutions last year.

Between 2016 and 2019, with Kenyatta's support, the government capped interest rates on loans issued by commercial banks, which led to a swift reduction in bank credit especially to small and medium-sized businesses (AC Vol 57 No 18). In 2017, an IMF study estimated that interest rate control had shaved off an estimated 0.25-0.75% in GDP growth.

STALLED

The economy grew at its fastest in the Kibaki years (especially from 2003 to 2008) bringing in new sectors like information technology, and pioneering in M-Pesa mobile banking. And although the economy has maintained a steady annual GDP growth rate averaging 5% under Jubilee, innovation in the Kenyatta years was remarkably absent. His closest policy advisors, like **Karanja Kibicho**, **Fred Matiangi**, **Ruth Kagia**, **Martin Kimani** and **Anne Waiguru**, flatter him with predictions that there will be time and resources to achieve the objectives of the Big Four provided the government disregards the 'neo-liberal' caution of the IMF and the World Bank. A budget expenditure review by the IMF last February reported that nearly 1,000 capital projects had stalled due to lack of adequate funding.

Most believe the government has

done a commendable job in containing the spread of the coronavirus, an effort led by health minister **Mutahi Kagwe**, one of Kenyatta's most highly regarded appointees (AC Vol 61 No 7). But in pursuit of an elusive legacy it has failed to exploit one of the opportunities offered by Covid-19. Although about 47% of tax revenue goes on debt service, Kenya has not sought debt relief under the terms announced by the G20 and the Bretton Woods institutions (AC Vol 61 No 9). The reason given is that the conditions of that debt relief will block Kenya from access to commercial sources of sovereign debt, and the government needs that money to implement the Big Four projects in the next two years. Independent economists shudder in disbelief, because this means a government which has committed itself to reduce its own deficit to 4% is now considering borrowing more to fund an expensive investment programme. All at a time when it has old debts to service.

The economy could crumble. But so could the Jubilee Party. **David Murathe**, the combative former parliamentarian and one of the president's best friends, has called for Ruto's expulsion from the party, accusing him of corruption. Murathe claims he's speaking with the President's knowledge. His call for a referendum later this year to usher in the constitutional changes in BBI has now received open presidential support.

We expect the alliance between Odinga and Kenyatta (Luo and Kikuyu) to campaign on one side of it, while Ruto (Kalenjin), humiliated out of Jubilee, will oppose it. The result may well be renewed ethnic friction, not the national unity Kenyatta wants as his legacy. ●

SOMALIA

Shabaab's surge

The Islamist militia is making new strides in the north-east. It may even have designs on Ethiopia's troubled Somali region and Somaliland

While most attention focuses on the preparations for elections later in the year, *Al Shabaab* is targeting Puntland in a campaign of assassination, and its operations throughout north-eastern Somalia have grown (AC Vol 61 No 10). In the past five months it has killed over 40 civil servants, security personnel and leading politicians. They include the regional governor of Nugal, **Abdisalam Hassan Hersi 'Gujir'**, who was murdered on 29 March, and that of Mudug, **Ahmed**

Muse Nur, who was killed on 17 May.

Mid-level public servants killed include the Galkayo customs chief, killed by a bomb on his car, a Puntland Intelligence Agency officer and another customs officer, along with his three guards, in Bossasso. *Al Shabaab* has also launched hit-and-run raids on numerous military bases, and checkpoints at the Bossasso port and the city.

A range of factors lie behind *Al Shabaab's* shift northwards from its customary stamping ground in the

south. One reason for the change is the de facto dismantling of *Ahlu Sunna wal Jama'a* militias earlier this year and their absorption into the Somali National Army (SNA). ASWJ and the new Puntland administration of President **Said Abdullahi Dani** distrusted and loathed both *Al Shabaab* and the state president, **Mohamed Abdullah Mohamed 'Farmajo'**.

The ASWJ militias are now wearing SNA uniforms but because they have been dispersed into separate units and are no longer defending the border of Puntland with Galmudug, *Al Shabaab* finds itself under less pressure and can afford to send more fighters and equipment north. The removal of the Galmudug president, **Ahmed Dualeh Haf**, and the election in his place of **Ahmed Abdi Kariye** in February was part of a deal made by ASWJ's leadership and helped the centralisation of power in Mogadishu. This was also a victory

for the Salafists, highly influential in Galmudug, who despise the Sufi ASWJ arguably more than they do *Al Shabaab*.

In recent years *Al Shabaab* has been trying to mend its rifts with clans in Galmudug and weaken ASWJ's standing among the clans which support it, a strategy which has proved successful south of Mogadishu, especially in Lower Shabelle and Lower Juba. There are even persistent rumours that the jihadists made a non-aggression pact with the Haber Gidir/Saad clan, which is located south of Galkayo, on the border between Galmudug and Puntland. If true, it means that *Al Shabaab* will now be able to move safely in an area that used to be very dangerous for them. What the clan gets in return, apart from less fighting, is unclear.

Meanwhile, Said Dani has been in conflict with sections of his own administration in Puntland. He found himself obliged to sack the commander of the Puntland Maritime Forces and two of his deputies, which is unfortunate for general security because they were highly trained by the **United Arab Emirates**. Their replacements have not shown the same ability against *Al Shabaab*, intelligence sources say, and the jihadists have been able to profit from it.

Drone strikes by the **United States** military's Africa Command (Africom) mostly occur in the south, so dispersing

fighters and materiel away from there makes sense. *Al Shabaab* feels secure in South West State and Jubaland and can afford to reduce its strength there. There is still talk of a large anti-*Al Shabaab* offensive in the region but the political tensions between Jubaland and Mogadishu are so strong that such an offensive would be unlikely unless it were done by African Union Mission to Somalia troops backed by **Ethiopian** and US forces.

RIVALS

But perhaps the likeliest factor drawing *Al Shabaab* northwards is competition with the Somali incarnation of *Da'ish* (or so-called Islamic State, IS) under the former *Al Shabaab* commander **Sheikh Abdiqadir Mumin** (AC Vol 57 No 23). Over the past three years, IS has been able to survive and develop to the west of Bossaso, in Qandala, homeland of Mumin's Ali Saleban clan.

Al Shabaab has been unable, despite numerous attempts, to erase its rival, especially in the Bari region and the port of Bossaso, where Mumin supporters collect 'taxes'. IS has also developed networks in and around Mogadishu and is competing with its older rival for 'donations' from traders in the Mogadishu markets. *Al Shabaab* has killed several IS tax collectors or middlemen but seems powerless to counter them in Bari, and is only

reactive in Mogadishu.

Al Shabaab is devoting resources to attacking the Puntland administration because it does not enjoy as much support from Mogadishu – and thus from Western donors – as before. The coming national election is bound to be highly divisive and *Al Shabaab* could benefit from the bitterness of the clans' competition in the region.

Overwhelmingly, however, the imperative behind *Al Shabaab*'s actions seem more and more an existential contest between the IS and *Al Qaida* jihadist strands as well as the technical military necessity of re-imposing itself on the main road linking Bossaso and Galkayo. As in the Sahel, the conflict between the two ideological trends is becoming increasingly bitter and bloody. It is partly economic in nature, but the ideology is fundamental to the *raison d'être* and appeal of both camps.

NEW STAGE

There is also speculation that *Al Shabaab* may be seeing opportunities in the apparent disintegration of Ethiopia and the unrest in its Somali Province and perhaps even Somaliland. With talks taking place between the main protagonists in **Yemen**, *Al Qaida* in the Arabian Peninsula (AQAP) may find a new stage on which to act. There is no reason a Jihadist surge should be limited to Somalia. ●

LIBYA

Haftar falls back

Now that General Haftar is in retreat, he says he's backing Egypt's ceasefire plan. The government in Tripoli may try to finish him off first

Fourteen months after launching his 'lightning' offensive to seize the Libyan capital and oust the UN-recognised Government of National Accord, eastern-based General **Khalifa Haftar** now wants a peace deal. A series of rapid reverses in the west of the country – the result of **Turkish** military support for the GNA, especially air cover – has forced him to change plans (AC Vol 61 No 3).

Following the loss of towns west of Tripoli in April and of the massive Al Watiya airbase near the **Tunisian** border in May, Haftar's forces have now been pushed out of almost all western Libya (AC Vol 61 No 11). On 4 June, they fled southern Tripoli and the next day Tarhouna, their main operations base for the western offensive.

Also taken was the nearby town

of Bani Walid. Some 16,000 people reportedly fled the two towns fearing revenge attacks from the GNA forces. The only place remaining in LNA hands in the west was Colonel **Moammar el Gaddafi's** home-town of Sirte, which the GNA forces failed to take after encountering strong resistance from the **Russian** private military contractor, Wagner Group. Some 220 kilometres to the south, the massive Jufra airbase, the logistics hub of Haftar's venture, is also in danger of falling, despite the presence of Wagner and MiG-29 fighter-bombers of the Russian Air Force. If it falls, LNA control of the south of Libya would also be at risk.

There have been reports of heavy equipment leaving Jufra and heading east amid claims that Moscow has given up on Haftar and wants an

accommodation with the GNA.

The possibility of a change in Russia's Libya policy was fuelled by its invitation to deputy GNA Prime Minister **Ahmed Maetig** and foreign minister **Mohamed Siala** for talks in Moscow on 3 June about a diplomatic solution and building closer relations (AC Vol 60 No 24). According to the GNA foreign ministry, the two sides spoke of reviving past Russian-Libyan agreements, but other reports claim that Moscow told Maetig that Sirte was a red line and should be left alone.

At the beginning of June, Haftar's deteriorating situation and pressure from Russia, **Egypt**, **France** and the **United Arab Emirates** pushed him to accept resuming the ceasefire discussions with the GNA agreed at the Libya conference in Berlin in January. An initial session took place in Geneva in February. The GNA also agreed to restart them. But that was before the LNA's collapse in Tripoli and Tarhouna.

Egypt's President **Abdel Fattah el Sisi**, one of Haftar's prime supporters, has tried to come to his rescue with a call for a negotiated end to the crisis. It would involve a permanent ceasefire,

the withdrawal of all foreign fighters from Libya and dismantling the militias. It also envisages interim political changes including a new president and two vice-presidents, each from one of the country's three historic provinces, and elections after an 18-month breathing space.

Flanked by Haftar and the head of Libya's House of Representatives, **Aguila Saleh**, Sisi launched his 'Cairo Initiative' on 6 June, saying that the proposals came from Haftar, although much of it was in fact Saleh's idea. The proposals included the unrealistic idea that the GNA-supporting militias hand over their arms to the LNA.

The event was attended by French, **Italian**, Russian and **United States** diplomats among others though, tellingly, no one from the GNA or Turkey.

BULLISH

In Tripoli, the talk is bullish. Interior Minister **Fathi Bashagha** has said that the GNA is determined not only to recover Sirte, Jufra and all the south, but to 'cleanse' the entire country of 'putschists' while the head of the State Council, **Khalid Mishri**, has called on GNA forces to carry on to Tobruk.

They may try this if or when they take Jufra. There are reports of a force ready to move on the eastern oil terminals

as well as the town of Ajdabiya, some 200km south of Benghazi.

The GNA looks unwilling to stop its military campaign now that everything seems to be going its way, which means Egypt's initiative is bound to fail. The situation is also encouraging Haftar's backers to look for an alternative leader of the LNA.

Everything will depend on whether the US can, or wants to, put sufficient pressure on Ankara to force the GNA to the negotiating table, and whether Turkey (and the GNA) will agree to do so. With Ankara's regional superpower dreams seemingly bearing fruit in Libya, that is far from certain. ●

AFRICA/OIL AND GAS

Great crash to weak bounce

The pandemic is forcing oil producers to find new ideas to attract investment and absorb the shocks. Some show promise. Others may have left it too late

The great hopes of strong growth for Africa's oil and gas producers this year, particularly in East and Southern Africa, have been crushed as companies scramble to cut planned investments across the continent to preserve cash-flow.

Multi-billion-dollar investment in new production has been delayed or deferred, and high-risk exploration wells have been shelved while many governments hold off from auctioning new exploration blocks until the market improves. The weak recovery of oil prices over the past month is not enough to change the big companies' calculations.

For now, falls in production should be modest as African members of the Organization of the Petroleum Exporting Countries (Opec) cut output to meet output to meet their new cartel

quotas. But a protracted period of sub-\$30 a barrel prices could force operators to shut in wells. Whether or not they do, production will fall more steeply in 2021 as the effects of the delays and production halts feed through.

Rystad, a **Norwegian**-based energy consultancy, has identified 13 major projects awaiting Final Investment Decisions (FID) that are now under threat (see diagram and map). That could cut oil production in Africa by 200,000 barrels a day over the next five years, and then perhaps fall further, by over a million a day, calculates Rystad.

Several African governments were adjusting investment terms in the wake of the changed landscape after the 2015 oil price shock. Then the pandemic landed a second, far worse blow to their prospects. Before that, 2020 was expected to kick-start a new wave of

oil company spending, particularly in East Africa and on large-scale Liquefied Natural Gas (LNG) projects.

Africa would have accounted for more than a quarter of the new acreage on offer in licensing rounds this year, with at least a dozen countries from **Senegal** to **Somalia** expected to promote blocks onshore and off.

CATASTROPHIC TURN

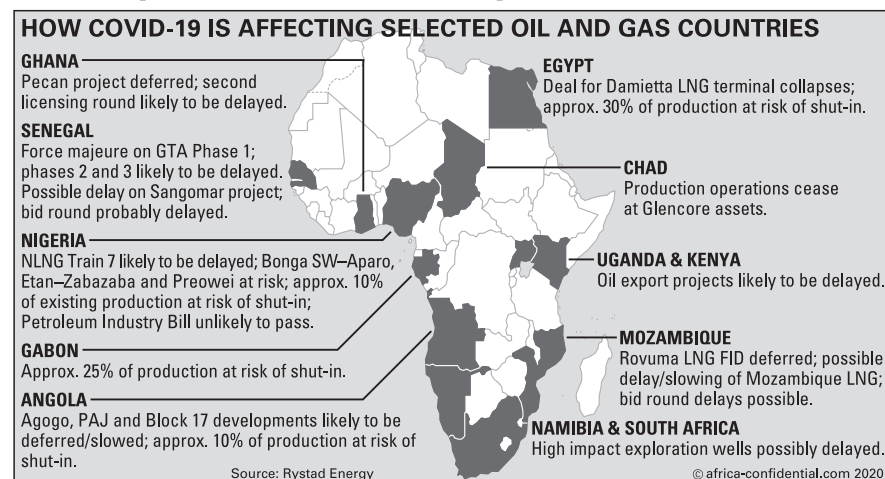
Just before the pandemic struck, oil majors were already reviewing their plans because of the depressive effect on prices of the dispute between **Saudi Arabia** and **Russia** (AC Vol 61 No 7). What was seen as a short-term supply shock turned catastrophic when it segued into the black hole of the coronavirus crisis and demand crashed.

In times of low prices, cash flow is the corporate priority. Over the past two months, international oil companies (IOCs) announced they were cutting capital spending on drilling wells and building new facilities by up to a third. Big greenfield projects yet to reach an FID but which were expected to start in the next two years are a target for cuts.

Last month, ExxonMobil said its \$23 billion Rovuma LNG project offshore Mozambique, due to start this year, was being put off, with no indication of when it might be re-scheduled (AC Vol 57 No 21). Yet **France's** Total, which is due to sign a \$15bn financing deal this month for its LNG project in **Mozambique** insists it will be exporting gas from there within four years.

As the biggest-ever energy project in Africa, Total's gas plant in Mozambique flies in the face of the industry trend. Finance was helped by US Export-Import Bank backing of just under \$5bn for US companies involved in the construction; **Japanese** state backing produced another \$3bn of guarantees. Washington and Tokyo both wanted to outmanoeuvre **China's** plans for the region.

In March, Aker Energy announced



that its troubled Pecan project in Ghana – targeting 450-550 million barrels-of-oil-equivalent in the Deepwater Tano Cape Three Points block, outbound of the producing Jubilee and TEN fields – would be postponed ‘indefinitely’.

Several other unsanctioned projects are likely to be deferred, according to Rystad Energy, because their breakeven prices are well above the current oil price. Among these are the Tullow-operated South Lokichar onshore development in northern **Kenya**, Shell’s Bonga South West-Aparo project in **Nigeria**, ENI’s Etan-Zabazaba field (also in Nigeria) and BP’s Palas-Astraea-Juno development in **Angola’s** Block 31.

Mothballing unsanctioned projects is fairly straightforward. Suspending projects already under development is far more complex given the array of contractual obligations, the stand-down costs, differing partner interests and implications for host country relationships.

For this reason, some projects may push ahead regardless of weak prices: Exxon indicated that while the Rovuma project would be delayed, the Coral floating LNG project operated by ENI (in which Exxon has an equity interest) was proceeding, albeit with some changes to the drilling schedule.

There will be some high-profile casualties, however. Having taken a conditional FID in December, the long-delayed Nigeria LNG Train 7 development looks set to be pushed back further, amid upstream deferments and financing challenges.

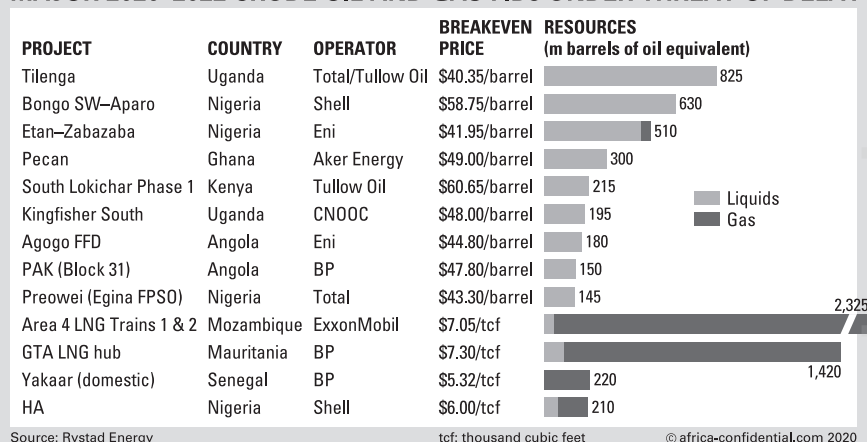
More dramatic still was BP’s decision in early April to declare force majeure on Phase 1 of its Greater Tortue Ahmeyim (GTA) cross-border LNG project offshore Senegal and **Mauritania** (AC Vol 61 No 8). BP took its FID in 2018 and spending was due to ramp up this year, with gas set to flow in 2022.

Golar LNG – which is supplying a vessel for GTA – said BP’s decision had been based on its claim that it would ‘not be ready to receive the floating LNG facility GIMI on the target connection date in 2022’, adding that the project would be delayed by a year.

BP’s announcement saw supplier Golar’s stock price fall by more than 30%, yet the delay to Tortue’s ambitious offshore development may suit BP’s joint venture partner, Kosmos Energy, due to spend \$250m on Tortue in 2020, following the end of an arrangement for BP to cover Kosmos’s costs.

This would have been a major commitment for Kosmos. Even before the oil price shock its management had been looking for alternative funding, including a possible farm-down of its equity or a new carry arrangement with

MAJOR 2020–2022 CRUDE OIL AND GAS FIDs UNDER THREAT OF DELAY



BP. Force majeure will buy the company some time.

Senegal’s second major development this year is at risk, due to the financial constraints of a junior partner. One of the world’s largest oil finds of the past decade, the offshore Sangomar development received FID only in January with oil expected to flow from the 250bn barrel Phase 1 of the project in 2023.

However, **Australian** junior FAR, which discovered the field, has been unable to secure debt financing for its 15% interest. Now it is ‘unlikely to be able to fund its future share’, necessitating a farm-down or divestment of its equity interests. Operator Woodside and its joint venture partners put the project under review, scaling back planned capital spending to ease cash flow pressures.

SELLING DOWN

Falling prices and disruptions will test the most resilient of companies in Africa and could change the competitive landscape. Weaker juniors with smaller portfolios may be forced to sell down their interests to manage their debt or relieve future financing pressures. In April, Tullow reached an agreement with Total to farm down all its interest in the 1.5bn-barrel Lake Albert fields and is looking for buyers for its equity in the South Lokichar project.

Although the smaller players will lose the most, tougher market conditions will also hit the majors. Balance sheets across the industry will be stretched. Only the most attractive wells will be drilled; appetite for costly and risky projects will fall. Among host countries there will be far greater competition for investment as pressures grow in response to climate change and energy transition plans.

At the turn of the year, Africa’s three largest oil and gas producers – **Angola**, **Nigeria** and **Algeria** – had hoped to capitalise on the more buoyant industry

mood. In Angola, the second half of 2019 saw more project approvals after the introduction of more flexible marginal field terms and a regulatory roadmap for the commercialisation of non-associated gas discoveries. Substantive reforms and a restructuring privatisation of state oil company Sonangol were under way. A plan to sell a third of Sonangol’s shares in an Initial Public Offering in 2022 may go on ice.

The country’s oil sector was on course for a revival, with at least ten exploration rigs due to start by the end of this year. But the price crash in March triggered a suspension of drilling by the biggest companies in the country – BP, ENI, Chevron, ExxonMobil, and Total, reported Reuters last month. Drilling ships heading for Angola have been diverted to other regions.

The changing of the guard in Algeria in December had also promised reformist momentum in the oil and gas sector, with the implementation of a new hydrocarbons code among the first legislative acts of President **Abdelmadjid Tebboune’s** government.

In Nigeria, Minister of State for Petroleum Resources **Timipre Sylva** is trying to rekindle hope in the long-delayed Petroleum Industry Bill (PIB) but the prospects of it passing this year are diminishing (AC Vol 59 No 16). The death of President **Muhammadu Buhari’s** chief of staff **Abba Kyari**, the main driver of the reform, has lessened its chances.

Instead, Sylva is talking up the government’s plans to hold a marginal field licensing round this year which could include as many as 56 swamp, shallow water and onshore fields in the Niger Delta. The last such round was 18 years ago.

Sylva sees it as a way to raise state revenues, citing projected sale incomes of over \$500m, a figure that few industry players find credible. Most of the local companies likely to bid are wrestling with pressures to cut output as revenues

fall. And banks are reluctant to lend more to the over-stretched indigenous companies.

The federal government's inability to pass a reform bill that offers incentives and stability to upstream operators led to a decade of underinvestment. Nigeria has the worst record for bringing discovered resources onstream after **Venezuela**.

Under current market conditions, any reform measures are unlikely to revive IOCs' appetite for upstream investment after more than a decade of declining competitiveness.

Algeria's state oil company Sonatrach announced in April that it had signed four Memoranda of Understanding to facilitate upstream exploration under the new hydrocarbons code. But these MOUs are little more than expressions of intent and will not offset the production declines following swingeing cuts to Sonatrach's capital budget; it holds a 51% interest in most producing fields.

In Angola, Total, which produces about half the country's oil, has announced that three of the four developments approved in 2019 will be slowed due to low prices and high costs.

If oil prices stay depressed, Africa's mature producers will have to work much harder to bring in upstream investment, competing for increasingly scarce capital, and to halt declining output.

Over the past two years, Angola, Algeria, **Congo-Brazzaville** and **Gabon** passed new hydrocarbons codes easing fiscal terms and improving competitiveness following the 2014-15 oil price crash.

However, in most cases, the reforms were plagued by political infighting and legislative inertia, and the resulting changes were late in the cycle, doing

little to address investor concerns. Foreign companies see Algeria's 2020 code as a big improvement on its predecessor from a fiscal standpoint. But they don't like the requirement for Sonatrach to hold 51% in all new developments.

Regionally, African fiscal terms are still among the highest in the world; local content regulations are increasingly stringent and greater institutional complexity has slowed decision-making.

Looking at the weakened financial position and higher risk aversion of IOCs, African governments may have to consider another round of liberalisation to win much new investment.

Any attempt to attract upstream investment will be shaped not only by the inter-agency wrangling and rent-seeking of the formal policy-making process, but also by the fallout of the public health emergency.

The United Nations Economic Commission for Africa estimates Africa will lose \$100bn from oil revenues this year, with revenues in Nigeria and Angola falling by half (AC Vol 61 No 7). For other producers – Algeria, **Equatorial Guinea**, **Congo-Brazzaville** and **Gabon** – the effect could be as severe.

PATRONAGE PINCH

Tighter public finances will complicate government attempts to buy off unrest with patronage. It may no longer be possible for Nigeria's government to pacify Niger Delta militants and resource nationalists at state level, threatening the 'pax Buhariana'.

Oil producers struggling to service dollar-denominated and oil-collateralised debts, most notably Angola, **Congo-Brazzaville** and **Ghana**, will have smaller budgets for public

services and infrastructure projects that could help them politically.

For countries planning oil and gas production, the effects of the slowdown should be attenuated. For Senegal and Mauritania, joint hosts of the now-delayed GTA project, a year's delay is unlikely to unsettle the politics and economics. Discovered in 2016 and overseen by both governments, expectations around revenues and domestic opportunities have been modest so far.

In Mozambique, however, the delay to the Rovuma project and the potential scaling back of Mozambique and Coral projects, would be deeply problematic. The country's ability to service its gargantuan debts is dependent on the timing and value of LNG receipts.

With principal payments on the country's restructured Eurobonds falling due between 2028 and 2031, the current lack of clarity over the re-scheduling of Rovuma – which will account for around 50% of Mozambique's LNG exports – will worry the country's bondholders (AC Vol 61 No 9).

Although far from the onshore LNG facilities, the worsening insurgency in Cabo Delgado province has prompted oil companies to contribute funds to the security costs and use of foreign mercenary forces. But all those contributions will be taken out of Mozambique's future gas earnings.

This is fuelling speculation that the project might be delayed still longer. In April, a research note from S&P Global Platts Analytics argued that Rovuma exports are now unlikely to start before 2030. Given Rovuma is one of the continent's flagship energy projects, that would send a chilling message to producers and governments alike. ●

CENTRAL AFRICAN REPUBLIC

Elections or bust

The president failed in a bid to change the constitution. Now he will have to contest the elections due by December, Covid-19 permitting

President **Faustin-Archange Touadéra** has failed in his effort to change the constitution so that he could stay in office should this year's planned elections fail to take place because of the Covid-19 pandemic or a dramatic deterioration in security outside Bangui. The Constitutional Court ruled that no special provisions were necessary because existing law provides for the speaker of parliament

to take charge for up to three months if the president had outrun his term of office. Touadéra was proposing an extension to his term of office if force majeure stopped polling.

This will have made the all-important donors and regional countries – without whom no government would exist in Bangui – happy, especially the **United States** ambassador, **Lucy Tamlyn**, who wants elections to go ahead.

In March, 110 MPs had proposed a constitutional reform since the country was at risk of not being able to hold presidential and parliamentary elections, due this year. The government took control, despite its denials, of the process and saw it go to the Constitutional Court without even checking if the 110 MPs had actually signed the motion. (Fake documents are a fact of CAR political life.)

The government's foreign sponsors are not fans of postponed elections and would have been hard to persuade even if the constitutional court had allowed the amendment to go through.

The government issued a decree to begin registration of the electorate on 20 May. While the impact of the pandemic is still uncertain the electoral timetable of the *Agence Nationale des*

Elections (ANE) stands.

A coalition of about 30 political parties directed by the *Mouvement Coeurs Unis* ('Movement of United Hearts'), led by Touadéra's prime minister until February, **Simplicie Mathieu Sarandji**, has published a campaign manifesto for an electoral alliance *Beoko* ('one sole heart'). They are the first to declare.

Touadéra can use the armed groups to put off polling day, should he feel he will be defeated in the elections. In February 2019, the CAR government signed a peace agreement with 14 armed groups in Khartoum. Little has changed on the ground since then because the groups maintain control of their own territories. Their leaders are offered posts within the state apparatus (AC Vol 61 No 10). But the decision of the constitutional court means he will no longer have an interest in preventing the elections happening.

Generous funding is backing the programme of reconciliation. Disarmament, demobilisation and reintegration is going ahead with mixed results. The security units, *Unités Spéciales Mixtes de Sécurité*, the first tangible result of a costly DDR process after months of delays and funding problems, were inaugurated by President Touadéra in Bouar on 13 May. Recruits from the Peulh 3R (*Retour, Réclamation, Réhabilitation*) armed group left their unit the same day and rejoined their original militia, in a development that did not augur well for the programme's future.

The attitude of the armed groups towards the elections is crucial. Either they will allow Touadéra supporters to organise and win elections locally, in return for which they will be rewarded with commissions or jobs from the state, or they will oppose them altogether.

BOZIZÉ FACTOR

One major obstacle to Touadéra's victory could be former President **François Bozizé**, the man forced in 2013 to flee the country by the *Séléka*, a mostly Muslim rebel coalition from the country's north, who has been back in Bangui since December (AC Vol 54 No 7). Many voted for Touadéra in the 2016 elections because he was thought of as a substitute for Bozizé. He was his prime minister for five years.

During the elections, the *Anti-Balaka* (loosely-organised community-based groups of young Christians set up to counter the ravages of the *Séléka*) backed Touadéra by intimidating those opposed to him and stuffing ballot boxes. If the elections go ahead, matters will be more complicated, as Bozizé does not intend to support Touadéra. The *Anti-Balaka* are split and those who still support Bozizé are bitter because they were not rewarded by Touadéra after he won.

The civilian opposition in Bangui has known that Touadéra would try to manipulate the electoral process so they tried to contest the ANE, which was set up before the 2016 constitution. Unsurprisingly, the Constitutional Court

refused to endorse the opposition view.

Nor is Touadéra keen on any change to the ANE. Its local teams, as demonstrated by opposition leader **Martin Ziguélé**, are almost exclusively made up of Touadéra activists. The UN peacekeepers, the *Mission multidimensionnelle intégrée des Nations Unies pour la stabilisation en République centrafricaine* (Minusca) may attempt to stop violence in the election but it won't act as an enforcer of electoral law or prevent Touadéra supporters from interfering with polling on a local level.

In opposing the constitutional changes, the opposition stressed that 'force majeure' – what Touadéra was seeking as an excuse to continue his term if elections couldn't go ahead – is too vague a concept. The Constitutional Court, they said, should not be expected to make political decisions, only to check their legal status.

The opposition argued that the best solution is a national consensus built through consultations with political forces from the entire political arena.

The opposition has a clear memory of what happened in 1992. At that time, President **André Kolingba** was unwilling to go to polls but eventually had to consult the political opposition and civil society. Elections went ahead organised by politicians who were not beholden to Kolingba, and the result was victory for an opposition leader, **Ange-Félix Patassé**, and the defeat of the incumbent. They will be hoping history will repeat itself. ●

MALAWI

Poll chaos looms

The chances of holding fresh elections in time are dwindling as the President blocks key appointments and confirmation of the poll date

While political parties push ahead with mass campaign rallies – ignoring all social distancing and the ban on gatherings of more than 100 – there is still no confirmed date for presidential elections which the courts ordered held by 2 July (AC Vol 61 No 7). Compounding an already complex situation, the controversial Malawi Electoral Commission (MEC) Chairperson **Jane Ansah** resigned on 21 May, just a month before the proposed polling date of 23 June she had just announced.

Ansah was the focus of the opposition's fury ever since she declared victory for President **Peter Mutharika** in the May 2019 election, which was annulled by the Constitutional Court on

3 February (AC Vol 60 No 11 & Vol 61 No 3).

In March Parliament recommended that Mutharika dismiss the Ansah-led commission, set 19 May as a new date for an election and passed amendments to appoint a new elections body. Mutharika refused to sign the bill into law, arguing that the same commission organised the parliamentary and local government elections simultaneously and they had not been challenged.

Before Parliament could reconvene, the government announced the Covid-19 measures restricting gatherings of over 100 people. Parliament is due to sit again now on 5 June and President Mutharika has said he will attend. Speaker **Catherine Gotani** of the opposition

Malawi Congress Party (MCP) agreed. A new budget is supposed to be passed by 30 June. There are doubts that ballot papers from overseas security printers could be obtained in time for 23 June.

Ansah's fellow MEC members' tenure expires on 5 June, just three weeks before the proposed election and only four weeks before the 2 July deadline (AC Vol 60 No 17). Mutharika is expected to appoint to MEC members from a pool of political parties that won at least 10% of the parliamentary vote in the 2014 elections but seems in no hurry to do so. This leaves the election date in limbo.

The Vice-President, Mutharika's estranged former ally **Saulosi Chilima**, has gone to court to seek guidance on who shall set the new date.

Meanwhile, Mutharika and his rivals are in full campaigning mode, although the incumbent has not been seen in public since 7 May, which has given rise to rumours that he may be ill. Others say he believes there is no hurry. But his own running mate, the United Democratic Front leader **Atupele Muluzi**, is on the stump.

The MCP's **Lazarus Chakwera** is criss-crossing the country with Chilima, who left Mutharika's Democratic Progressive Party to form his own party, the United Transformation Movement, but cannot constitutionally be removed from the vice-presidency by Mutharika. Chakwera and Chilima have an electoral pact called the Tonse Alliance with Chakwera leading the ticket. They have been attracting huge crowds and early polling, including by Afrobarometer, gives them a small lead.

Both alliances are promising a new era of transparency and accountability but neither have published their power-

sharing deals, raising questions as to how they will govern and if the agreements will survive an election win.

Both pacts are thought to contain considerable tensions. Chakwera has pledged to serve as president for one term only if he wins, and support Chilima for election to serve the next. At a rally on 25 May Chilima said he would serve as finance minister as well as Vice-President if they win the election, and then swap roles with Chakwera if the ticket wins a second election.

Chilima has been accused of undermining Chakwera in the eastern region by harshly attacking former

President **Bakili Muluzi**, Atupele's father. Although Chilima is fighting Bakili's son, Tonse hopes that citizens who voted for Bakili in the past might switch to Chakwera.

The Tonse Alliance has attracted controversy because the former national budget director **Paul Mphwiyo**, whose shooting sparked the Cashgate scandal in 2013, attended their presentation of candidates, along with construction magnate **Simbi Phiri**. Mphwiyo's lengthy legal actions to prevent him facing trial on corruption charges have recently failed, and he is set to appear in court soon (AC Vol 55 No 24). ●

CÔTE D'IVOIRE

Affairs of state and of the heart

With the ruling party's presidential candidate in Paris for cardiac checks, two leading oppositionists are allowed by the ICC to return home

Once again the International Criminal Court is upending Ivorian politics. This time it's the Court's surprise decision on 29 May to lift its travel restrictions on former President **Laurent Gbagbo** and his ally **Charles Blé Goudé** as they await the outcome of the prosecution's appeal against their acquittal.

It comes at a bad moment for President **Alassane Ouattara** and the governing *Rassemblement des houpouëtistes pour la démocratie et la paix* (RHDP) as their candidate in the presidential elections due in October – Prime Minister **Amadou Gon Coulibaly** – is resting in Paris after cardiac treatment.

Until now Gbagbo and Blé Goudé were on bail but not allowed to leave **Belgium** and the **Netherlands** until the prosecution's appeal against their January 2019 acquittal on charges of human rights crimes had been heard.

Now, they are free to travel worldwide, putting pressure on Ouattara to allow them home. The ICC decision complicates the government's management of the presidential election. This is still scheduled for 31 October, despite the Covid-19 pandemic, with the *Commission électorale indépendante* setting the campaign timetable.

Gon Coulibaly, Ouattara's hand-picked successor, is convalescing in **France** after having a stent fitted at the renowned La Pitié-Salpêtrière hospital in Paris, where he had a heart transplant eight years ago.

This has stirred speculation about his readiness for an onerous election campaign. Politics in the country could

become much more heated if Gbagbo is involved, whether as candidate or opposition godfather.

Despite being barred from public activity over the past 17 months, Gbagbo has tried to push a message of reconciliation. Blé Goudé echoed this non-confrontational tone in an interview with *Radio France Internationale* after the lifting of the travel ban.

Although the Gbagbo-Blé Goudé camps are part of the opposition alliance, their return could create an opportunity for Ouattara.

The good will that greeted the President's announcement that he would not seek another term of office dissipated after the installation of Gon Coulibaly as the succession candidate of the RHDP (AC Vol 61 No 6). Adding to that was the conviction in absentia on 28 April of the exiled former parliamentary speaker **Guillaume Soro**, shutting him out of the presidential race.

A refusal to allow Gbagbo home would further sour the mood. A conciliatory response from Ouattara might take out some of the heat. It might also help Gon Coulibaly, whose future looks more fragile. Feeling unwell in Abidjan, Coulibaly had been persuaded by Ouattara on 3 May to fly to Paris by government jet despite the pandemic lockdown and travel ban. Officials insisted it was a routine check-up.

After Coulibaly was fitted with a stent, Ouattara revealed that he himself has had one since 1999, adding the prime minister was expected back shortly. Yet the president has carried out further political repair work to shore up

the planned Gon Coulibaly succession.

Albert Toikeusse Mabri, leader of the small *Union pour la démocratie et pour la paix en Côte d'Ivoire* party, has been sacked as higher education minister after signalling his discomfort with the premier's installation as RHDP presidential candidate.

We hear that **Patrick Achi**, secretary general of the presidency, could be appointed as premier, freeing up Gon Coulibaly to concentrate on campaigning.

Coulibaly's health will be an issue due to the rigours of the campaign trail and the heavy schedule of international travel expected of a president.

Although the authorities are easing the lockdown, an extension of the ban on mass public events, due to end in July, could help the RHDP candidate.

Coulibaly may struggle to win over voters after what many see as his favoured treatment in getting a lockdown exemption and taking an executive jet to Paris.

'For supporters of the prime minister, the trip to France is entirely normal... yet his critics see this as a privilege that does not look right just when the coronavirus crisis has shown up the weaknesses of our health systems in Africa,' political scientist **Moquet Flan** told *Africa Confidential*. Aware that there is a health question over their man, to add to his lack of charisma, the authorities are more determined to keep the dynamic and chippy Soro out of the race.

The first step was the conviction on 28 April of Soro for embezzlement and money-laundering over the purchase of a mansion 13 years ago when he was prime minister of the national unity government. He was sentenced to 20 years in jail and fined some €7 million. It looked like a political fix.

It's also hitting the country's reputation. The African Court of Human and Peoples' Rights last month ordered the suspension of December's Ivorian warrant for Soro's arrest. The

government retaliated by withdrawing its recognition of the tribunal.

Soro may find it more difficult to escape the threat posed by a human rights case just launched against him in Paris. Drawing on France's adoption of extra-territorial jurisdiction over human rights crimes, six individuals have indicted Soro for torture, murder and other war crimes over the death of fellow rebel **Ibrahim Coulibaly** in 2011 and several associates in 2004 and 2011.

Coulibaly was a key commander in the military campaign that defeated Gbagbo and allowed Ouattara to take up the presidency he had won in the 2010 election. Coulibaly had led local resistance to Gbagbo in Abidjan's Abobo district (AC Vol 51 No 25).

Along with two colleagues, Coulibaly was killed as the main pro-Ouattara *Forces républicaines de la Côte d'Ivoire* sought to impose its authority across the city shortly after Gbagbo's capture. Coulibaly believed FRCI had stolen the credit for the military successes against Gbagbo of his own FRCI unit, becoming so disgruntled that he obstructed the progress of fellow units. As a result, Soro's command ordered him killed, *Africa Confidential* reported at the time (AC Vol 52 No 10). Coulibaly's daughter is one of the six individuals who launched the case.

French judges treat extra-territorial human rights cases seriously. It is less clear how they can be resolved – several **Congo-Brazzaville** regime figures have escaped a French trial and conviction over the 'Beach Affair' mass killing of 1999 (AC Vol 43 No 23). Yet this case will damage Soro's image and his capacity to mobilise pressure on Côte d'Ivoire to allow him to return home to fight the presidential election.

With the focus on Soro and the personal dramas of 'AGC', the honorific acronym Gon Coulibaly has now been accorded by the media, and Soro, the former President **Henri Konan Bédié**,

BIT PLAYERS WITH KEY ROLES

Key roles in **Ahmed Gon Coulibaly's** expected victory in the October polls lie with influential *Rassemblement des houpouëtistes pour la démocratie et la paix* supporters in the machine, such as party secretary-general **Adama Bictogo** – who has played a crucial role in pulling the constituent elements of the former alliance into a coherent party – and presidency spokeswoman **Masséré Touré**.

As interim premier – standing in for Gon Coulibaly while he is in Paris – Defence Minister **Hamed Bakayoko** has further boosted his standing in the last month.

He would be a strong alternative candidate if his health forced Gon Coulibaly to stand aside. The choice of such a replacement could be made by President **Alassane Ouattara**, but the party may opt for a primary contest because of its value in uniting the party's various strands around the victor. The fact that Bakayoko, unlike Gon Coulibaly, has kept open channels to former President **Laurent Gbagbo's** *Front populaire ivoirien* (FPI) adds a further element of intrigue.

Within the *Parti démocratique de la Côte d'Ivoire*–*Rassemblement Démocratique Africain* (PDCI-RDA), the likely nomination of former President **Henri Konan Bédié** on 12 June does not command universal support. Activists backing younger politicians, such as **Jean-Louis Billon** or even **Thierry Tanoh**, may voice dissent.

Whoever the PDCI-RDA candidate will be, a serious opposition challenge will depend on the capacity of key figures in allied movements, such as **Kanigui Soro** (no relation) in Soro's *Généralités et Peuples Solidaires*, **Pascal Affi N'Guessan** and **Assoa Adou** in Gbagbo's still fragile FPI, and **Georges Armand Ouégnin** of the pro-Gbagbo grassroots *Ensemble pour la démocratie et la souveraineté*.

In the national elections, Gon Coulibaly could face first round competition from the alienated **Albert Toikeusse Mabri**, who sees his sacking as a liberation and could offer western regional support to an opposition alliance.

But the former minister's support base in the *Union pour la Paix et la Démocratie en Côte d'Ivoire* could be fractured by Ouattara's shrewd appointment of party rival **Albert Flindé** to the government in his stead. ●

86, has slipped out of the limelight.

But Bédié shows no sign of abandoning his ambitions for a presidential comeback, counting on his base among the Baoulé people in central Côte d'Ivoire. He wants to reach beyond his core electorate through an alliance with supporters of Soro and Gbagbo. He may struggle to appeal to the former speaker's youthful supporters.

A recent decision of the Gbagbo loyalist wing of the *Front populaire ivoirien* to abandon its almost 10-year boycott of electoral politics and mobilise its voters against Gon Coulibaly might help Bédié, but his chances of winning over those supporters will be

complicated by speculation about a possible Gbagbo candidacy.

So intricate are the calculations that the government may yet ride out developments that might have damaged its credibility. It has also responded effectively to Covid-19 with a rapid lockdown, boosting health and social spending, tough curbs to limit risk of the pandemic spreading beyond Abidjan and an extensive programme of support for the economy and small businesses.

The virus crisis has fostered a mood, described by Flan as 'a sort of "sacred union" among Ivoirians to give themselves the best chance of escaping from a crisis situation.' ●

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POINTERS

Guinea

STEINMETZ DEAL BEARS FRUIT

■ President **Alpha Condé** has held up his end of a secret bargain with Israeli mining billionaire **Beny Steinmetz** now that several officials and members of the entourage of Condé's late predecessor, **Lansana Conté**, have been acquitted in Conakry of taking bribes.

Condé first came to power in 2010 accusing Steinmetz of obtaining mining licences for half of the giant iron ore deposit at Simandou corruptly. But in February 2019 Condé secretly agreed to drop all accusations against Steinmetz and abandon arbitration between Guinea and Steinmetz's company Beny Steinmetz Group Resources (BSGR), as first reported by *Africa Confidential* (AC Vol 60 No 5). In return, Steinmetz gave up all claim to the licences.

The acquittals in Conakry are being used in Steinmetz's defence against bribery charges in **Switzerland** over the same mining licences. Last August the Geneva prosecutor indicted Steinmetz and two others for paying US\$10 million in bribes in Guinea between 2005 and 2010 (AC Vol 53 No 20). Steinmetz denies any wrongdoing.

Among those acquitted in Conakry in late March were **Mamadie Conté**, the fourth wife of President Conté. She previously admitted to US investigators to taking bribes. Steinmetz's lawyer says that as the Swiss prosecution was instigated by Guinea and all those accused of bribery there have been acquitted, he has no case to answer in Switzerland. The trial is expected to start later in the year.

Condé first sought to reconcile with Steinmetz, sources in Guinea told *Africa Confidential*, after seeking advice from President **Alassane Ouattara** of **Côte d'Ivoire**. Ouattara used the good offices of **French** former President **Nicolas Sarkozy** to approach Steinmetz. Condé's economic adviser **Tibou Camara** then hammered out the details with **Hamed Bakayoko**, now the Ivorian temporary prime minister. On 24 February last year, our sources say, Steinmetz and Condé signed the protocol in Conakry in deep secrecy, the presidential palace having been emptied of non-essential personnel.

Congo-Kinshasa

DAMNING THE PARKS

■ Although the government plans to increase the area of Congo-Kinshasa's national parks from about one-tenth to one-fifth of the vast nation, threats against those that already exist are

growing. Investors covet the resources within the park boundaries, even though they are protected by a stringent 2014 conservation law.

Inside Katanga's Complexe Upemba-Kundelungu, a vast park containing two national parks and various animal reserves which were combined in 2016, a major dam is proposed. Local company Kipay, run by a businessman associated with former President **Joseph Kabila**, has partnered with hydropower giant PowerChina to build the \$400 million project (AC Vol 54 No 5).

Activists say the plans threaten Upemba and many endangered species. The barrage near Kyubo Falls would produce some 150 megawatts to feed Katanga's power-hungry copper industry and create a lake 40 kilometres long, destroying forests and slicing migratory routes for zebras, buffalos and elephants in two. Kipay says that the planned Sombwe dam is merely 'in the vicinity' of the park.

Last June a delegation of European Union environmental experts visited the site, along with **British** Chief Warden **Robert Muir**, whose Forgotten Parks Foundation has been jointly managing the complex, and his deputy **Rodrigue Katembo**. On their return, they were stopped at a makeshift roadblock where, according to a subsequent indictment, Captain **Ngoie Mwanabute** of the *Forces armées de la République démocratique du Congo* ordered his men to open fire on Muir and Katembo, but they refused. Mwanabute was found guilty at Kipushi military tribunal of the arbitrary arrest and torture of park guards in separate incidents and is accused of having sided with local communities against the park rangers. He was acquitted of attempted murder but is to be tried again.

Mali

KEÏTA CORNERED

■ Nearly a week after the charismatic conservative imam **Mahmoud Dicko** led tens of thousands of demonstrators onto the streets of Bamako demanding President **Ibrahim Boubacar Keïta's** resignation, the head of state remains under heavy pressure. On the same day, 5 June, the **French** military announced they had killed the *Al Qaida* in the Islamic Maghreb (AQIM) leader **Abdelmalek Droukdel** and his propagandist **Toufik Chaïb** two days earlier. They also claimed to have captured **Mohamed el Mrabat**, chief recruiter for Islamic State in the Greater Sahara (ISGS).

But the military success gave no relief from the pressure on Keïta over what the demonstrators see as a woeful failure to clean up government (AC Vol 61 No 7 and No 4). Keïta's supporters promise a counter-demonstration on

12 June. But the momentum is with the protest organisers, the *Rassemblement des forces patriotiques du Mali* alliance of opposition parties and Dicko.

It is 11 years since the imam, then the head of the High Islamic Council, mobilised a crowd of 50,000 to force then-President **Amadou Toumani Touré** into watering down a family law reform. Now, he has his own political party and is more popular than ever.

Dicko is not aligned with the homegrown jihadist chiefs **Iyad ag Ghaly** and **Amadou Koufa**, but he does favour talks with them – a strategy Keïta is now trying to pursue (AC Vol 61 No 4).

South Sudan

THE SICK MEN OF AFRICA

■ With three out of five vice-presidents, 10 cabinet members and all but one of the now disbanded High-Level Task Force on Coronavirus having tested positive for Covid-19, there is mounting concern that the pandemic could wreak havoc should it spread in the overcrowded camps for displaced people.

One-third of the population is displaced, 64% require humanitarian assistance and with less than half of its health facilities currently functioning, the country is 'woefully ill-equipped' to cope with the pandemic, **Mia Farrow**, the International Rescue Committee's goodwill ambassador, told *Africa Confidential*. The IRC warns that political stalemate, inter-communal violence, the region-wide locust plague, and a drastic drop in oil revenues have combined with a Covid-19-induced economic crisis 'to exacerbate a legacy of disease hunger and displacement left from six years of civil war'.

New state governments have still not been agreed, meaning local response efforts are lacking and Juba can impose measures – such as a much-criticised ending of the ban on internal flights – that could hasten the spread of the virus.

A report on the global impact of the coronavirus by the Hong Kong-based Deep Knowledge Group found South Sudan the world's least prepared country.

The government has won some praise. On 3 June it cancelled its controversial 'Covid-19 Negativity Certificates' – certifying the bearer to be free of the disease – after a number of travellers at Juba International Airport were found with fakes.

The same day, however, **Mabior Garang de Mabior**, son of the liberation hero **John Garang** and prominent critic of his successor, President **Salva Kiir Mayardit**, resigned as deputy interior minister, citing the failure of the national unity government to fully implement the provisions of the peace deal or to cope with the pandemic (AC Vol 59 No 19).

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BLUE LINES

After the African caucus at the UN Human Rights council called for a rare urgent debate on human rights in the United States and circulated a draft resolution calling for a high-powered investigation into racism and police violence there, diplomats in Geneva were expecting another slogging match.

US diplomats lobbied African diplomats, especially the Burkina Faso delegation, which drew up the original text, to make it less country-specific. But it seems that the combination of African anger on the issue and European and Asian states trying to distance themselves from President Donald Trump's stance on the killing of George Floyd, meant that there was little interest in helping out Washington. The US pulled out of the council in 2018, accusing it of political bias and hypocrisy.

On 17 June, the African caucus won agreement on a resolution which tasked Michelle Bachelet, Human Rights Commissioner and former President of Chile, to 'prepare a report on systemic racism and violations of international human rights law against Africans and people of African descent'.

The text further singles out the US by calling on Bachelet, backed by UN-appointed independent rights experts and committees 'to examine government responses to anti-racist peaceful protests including the alleged use of excessive force against protestors, bystanders and journalists'. Such monitoring sounds eerily close to the phraseology used in US State Department human rights reports about some of the council's member states.

NIGERIA

Back to the scene of the crime

A plan to restart oil production in Ogoniland amid a failing environmental clean-up risks repeating all the mistakes of 25 years ago

This week lawyers for the 40,000 people in the Ogale and Bille communities in the Niger Delta have been pressing their case in London's Supreme Court to hold Royal Dutch Shell liable in Britain for environmental despoliation in the Niger Delta. For now, it's just a matter of where the case will heard.

At the centre is the question of whether Royal Dutch Shell can be held liable for the actions of the Shell Petroleum Development Company JV (a joint venture with the government) in Nigeria: the foreign oil companies held 45% of the equity while the government had 55%. But the foreign oil companies were the operators of the licence, and were allowed to repatriate their costs, dividends and profits. That raises the question of their responsibility for operations on the ground in Ogoniland.

Should the Supreme Court rule in favour of the applicants in Bille and Ogale, there is likely to be a flood of similar cases from other petitioners in the Niger Delta seeking damages in the British courts for environmental despoliation.

Many of these would be historic claims. Shell was operating in Ogoniland from 1958 to 1993 and could be held responsible for all the accumulated environmental damage there in that period. And in the 12 onshore licences that Shell has sold to local companies such as Aiteo and Seplat, it might be held liable for the environmental damage wrought by oil production up until the date of sale, depending on the interpretation of the contract.

Mitigation of environmental damage was seen as a major cost at the time of the sale negotiations and most of the Nigerian buyers paid prices that, at least in retrospect, look ruinously high. Other more political factors might have been involved at the time.

LONDON PRECEDENT

A ruling on the Ogoni case is expected before the end of the month. London firm Leigh Day, representing the applicants, argues an important precedent was set with a ruling by the Supreme Court in London in April 2019 to allow a case against Vedanta mining company, accused of environmental damage in Zambia, to be heard in Britain (AC Vol 60 No 18).

Delta activists calculate that a court in Britain, insulated from the commercial and political pressures in Nigeria, will order far higher damages than a judge back home. A London hearing would also earn their cause a far higher profile.

These legal arguments in London are playing out against a backdrop of a plan to restart oil production in Ogoniland. After it stopped production there in 1993, Shell has sought to restructure its operations in Nigeria. It had tried to sell its Ogoniland licences to Tony Elemelu, the flamboyant local magnate and advocate of 'Afri-Capitalism', who was aggressively trying to secure the Ogoniland blocks, understood to hold substantial reserves.

In the end, the state-owned Nigerian National Petroleum Corporation (NNPC) stepped in and plans to restart production there. But it will mean some critical

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negotiations with local groups in the meantime.

It will be 25 years in November since Ogoni activist **Ken Saro-Wiwa** and eight others were hanged by General **Sani Abacha's** military regime and for a few weeks the Niger Delta region was in the international headlines.

Nelson Mandela weighed in support of the activists. Abacha's regime was sanctioned and expelled from the Commonwealth (AC Vol 37 No 14).

Shell, which faces similar cases in the **Netherlands** over jurisdiction, wants the hearing in Nigeria. So does President **Muhammadu Buhari's** government which insists it's cracking down on judicial bias and corruption.

HIGH STAKES

Billions of dollars could be at stake. Ogoniland is one of the most contaminated stretches of water and marshland in the world and the pollution across the wider Niger Delta is said by activists to be of a similar scale. The UN Environmental Programme called for a US\$1 billion fund to clean-up the 600

square kilometre area with its shut-off oil wells and labyrinths of ageing pipelines.

UN experts estimated the damage in Ogoniland is far worse than the BP Deepwater Horizon spill of 4.9million barrels in the Gulf of Mexico in 2010. Then BP paid \$18.7bn in fines to the US and spent \$65bn on the clean-up.

There is mounting evidence that the \$1bn clean-up in Ogoniland, financed jointly by Shell and Nigeria's government, has achieved little and failed to meet basic standards of accountability. To that has been added the deployment of around 5,000 troops to the area since last December.

Military officers in Ogoni are in a position to broker when oil can be tapped from the network of pipes crisscrossing Ogoni land, by both legal and illegal refiners. It's called 'bunkering' in the argot of organised crime in the Delta but has nothing to do with maritime refuelling. Fortunes have been made by officers and local business people in this way.

Papers by Transparency International and the Civil Society Advocacy Group last year claimed military officer had played a key role in oil theft amounting to billions of naira since 2016. The report accused the officers of turning 'a blind eye to illegal activity and protecting oil thieves' access to extraction points'.

Reliable figures on volumes of oil theft are hard to compute as reporting is politically driven. Government officials minimise it and reject most claims of collusion by security forces. International companies reckon oil theft takes at least 10% of production, blaming the tapping of pipelines for most environmental damage.

Activist groups, many hollowed out since Saro-Wiwa's effective international campaign, struggle to agree on a common stance on oil theft or much else. Some of their leaders are now fully embedded in the national political hierarchy.

In the Movement for the Survival of the Ogoni People (MOSOP) founded by Saro-Wiwa, three activists were vying to be its president. **Legorsí Pyagbara** sits on a governance board at the Hydrocarbon Pollution Remediation Project (HYPREP) which is meant to oversee the clean-up in Ogoniland. After opponents accused Pyagbara of being too close to the discredited HYPREP operation, he has been pushed out of contention for the MOSOP leadership. (AC Vol 60 No 7).

Critics are demanding that HYPREP explain what it's doing with the \$360 million that it's claimed to have received. It says that it has spent \$38.5m on local projects and created 750 jobs

HOW THE DELTA SHAKES UP NAIJA

Although there are new players in the Niger Delta, the region still has the capacity to shake up Nigeria's politics and economics. Dealt a heavy blow by the coronavirus pandemic, the treasury needs oil revenue urgently. Buhari's spending plan for 2020 was based on an oil price of \$57 a barrel with production of 2.17 million barrels a day.

The latest budget plan has gone through the National Assembly; at 10.8 trillion naira it is slightly bigger than the previous version and includes stimulus spending to avert recession. Vice-President **Yemi Osinbajo's** Economic Sustainability Committee has launched an ambitious 'Bounce Back' post-pandemic recovery plan involving the cultivation of 20,000-100,000 hectares of farmland in each of the 36 states, the building of 300,000 houses a year and the installation of solar power in 5 million households.

Whether there is money to finance all this will depend more than ever on conditions in the Niger Delta. The current price of Brent crude is around \$39 a barrel but OPEC has set a provisional quota for Nigeria of 1.42 million barrels a day. A resumption of militancy could undermine even that lower level of production.

International interest in the Delta has ebbed since the 1990s. Then, governments, activists and lobby groups announced boycotts and protests against General **Sani Abacha's** regime for what the then **British** Prime Minister **John Major** described as the 'judicial murder' of **Ken Saro-Wiwa** and eight others. Yet two weeks after Saro-Wiwa's execution, a senior British official assured all the major oil companies operating in Nigeria that there was no prospect of direct sanctions to block Nigeria's oil exports, the lifeblood of the Abacha regime (AC Vol 37 No 3).

But it took some arguing within the British and **United States** governments to give Abacha that vital leeway. According to leaked diplomatic cables there were discussions in 1995 between Major and US President **Bill Clinton** about the possibility of a naval blockade on Nigeria's oil exports at the UN Security Council. But commercial pressure scuppered that.

Yet, the Ogoni crisis did long-term damage to the standing of oil companies, particularly that of Royal Dutch Shell, the main target of the protests. It was the combination of the environmental damage to Ogoniland and the accusations that the company had colluded with the Abacha regime's military occupation of the area that forced it to rethink its strategy in Nigeria. Since 2000, it has been trying to sell most of its onshore blocks (see Feature) and give local politics a wide berth.

Most other 'Big Oil' companies are following that lead. For Nigeria, that poses questions about its status among Africa's biggest oil producers.

Can it continue to lead the pack if most of its onshore fields are operated by smaller local companies? And what concessions will it have to make to international companies to persuade them to invest in offshore fields under the terms of the new Petroleum Industry Bill?

Both deputy oil minister **Timipre Sylva** and managing director of the state's Nigerian National Petroleum Corporation (NNPC) **Mele Kyari** say there will be another bidding round for major exploration licences next year when industry interest may have recovered (AC Vol 61 No 8). Until then, there is unlikely to be strong interest in much buying and selling, including Sylva's much-criticised but ongoing marginal field bidding round, which has been rescheduled several times this year (AC Vol 61 No 10). ●

before the coronavirus pandemic lockdown (AC Vol 60 No 14).

This raises further problems for Shell which says it has paid \$108m into HYPREP funds, of which about \$10m have been subject to an audit. *No Clean-Up, No Justice*, the latest report on the project by Nigeria's Environmental Rights Agency, Amnesty International and Friends of the Earth, quotes the UN assessment that HYPREP wasn't capable of running such a complex project. The UN concluded that at the current rate of disbursement it would 'take HYPREP 100 years to utilise its five-year budget'.

For the most part the report targets Shell which might prove helpful to the Delta communities' case in the Supreme Court. It also argues that the clean-up should be extended to other areas of the Delta, to be done mainly by Shell and the other big oil companies.

This will be music to the ears of activists and politicians elsewhere in the Delta. Former governor of Bayelsa State, **Seriake Dickson**, has been lobbying for this, having established the Bayelsa Commission and persuaded the Archbishop of York, **John Sentamu** (who has just retired), to chair it.

Given the volume of oil pumped out of Bayelsa, it was where production started in 1958, then proponents of the commission would be seeking at least another billion dollars.

Political organisations, however, are badly fractured in the Delta, whether in Ogoniland, or the rest of Rivers State, Bayelsa, Edo and Delta states. It's less to do with party labels and more with factions within the parties jockeying for position within the national organisations.

Local activist groups have also fractured, often over resources, sometimes over tactics. MOSOP's transition council is preparing to re-run internal elections for the group's presidency next year.

PARTY SCHISM

One of the most powerful Ogoni politicians, Senator **Magnus Abe**, has been elevated to the board of the NNPC by Deputy oil minister **Timipre Sylva**, a former Delta militant and governor of neighbouring Bayelsa State. Rather than boosting the Ogoni voice at national level, Abe's promotion plays into a widening schism within the governing All Progressives' Congress.

That is pitting a faction led by former governor of Rivers state **Rotimi Amaechi** and sitting governor of Kaduna, **Nasir el Rufai**, against the national leader of the APC, **Bola Tinubu**, a former governor of Lagos, and **Adams Oshiomhole**, a former governor of Edo whose abrasive style has led to his suspension as national chairman of the APC.

In the wake of Oshiomhole's reluctant acceptance of the confirmation

of his suspension, there is now a battle between the two factions over who should become acting chairman, with the power to rule on disputes within the party. That's relevant to the oil-producing region because two of the contenders come from the Niger Delta.

After **Godwin Obaseki**, governor of Edo, fell out with Oshiomhole, he defected to the opposition People's Democratic Party and is trying to win the party's nomination to run for a second term in state elections in August. Should he succeed and hold the state, that would strip the APC of any office in the Delta.

But plenty of other rivalries may come into play, making Obaseki's position tenuous in either party. Historically, with oil, gas and massive infrastructure contracts in play, as well as the possibility of a revival of armed militancy, all encourage a determined ruthlessness among Delta politicians. Even his supporters ask whether Obaseki has the steel to outmanoeuvre Tinubu and Oshiomhole.

During the hiatus in work due to the pandemic, there have been calls to restructure HYPREP yet again. That puts at risk the position of HYPREP's public face **Marvin Dekil**. In any case, Shell will not be returning to produce in Ogoniland. Its exit from the area, on the demand of Saro-Wiwa's movement was one of the enduring results of those bitter confrontations in the 1990s. ●

UK/AFRICA

Retreating from the stage

Merging the Department for International Development with the Foreign Office is more about opinion polls than policy substance

P rime Minister **Boris Johnson's** announcement that the Department for International Development (DFID) will be subsumed into the Foreign and Commonwealth Office (FCO) in September prompted equal measures of dismay from the development policy community and pleasure from most of his Conservative Party.

Johnson has been a long-time critic of DFID, set up by **Tony Blair's** Labour government in 1997, and the move has been expected ever since he won the election in December. But the timing seems calculated to draw attention away from mounting criticism of the government's handling of the Covid-19 pandemic.

Johnson said that Britain's aid

spending had 'been treated as some giant cashpoint in the sky that arrives without any reference to UK interests', complaining that the UK had been spending ten times as much in **Zambia** as in **Ukraine**.

A minority of Conservative lawmakers oppose the decision. **Andrew Mitchell**, an International Development Secretary under **David Cameron**, described it as a 'quite extraordinary self-inflicted wound' that will do 'huge damage' to Britain's influence in the world. Cameron has also publicly attacked the merger while the opposition Labour party has pledged to reverse the decision if it wins the next election in four years' time.

Scrapping a department that enjoyed a strong reputation among

its peers appears to confirm the UK's gradual retreat from its role as a leader in development policy, but the UK is not alone. **Australia, Canada, Norway** and **New Zealand** have all folded their own aid departments back into their foreign ministries in recent years.

The move came as a surprise to staff who had expected any planned restructure to take place after the 'Integrated Review of foreign policy, defence, security and international development' conducted by Professor **John Bew**. Originally launched in February, the Bew review has been delayed due to the pandemic and will now report in the autumn.

'GLOBAL BRITAIN'

The review is expected to try to put meat on the bone of the 'Global Britain' tagline adopted by **Theresa May's** government after the UK voted to leave the European Union (EU) in June 2016 but which has lacked substance ever since.

In 2018, to a deafening silence, the House of Commons' Foreign Affairs committee urged the government to set out its 'long-term vision for the UK's

CHOICE: LUNGU OR ZELENSKY

The Department for International Development has had plenty of time to prepare psychologically for the merger with the Foreign and Commonwealth Office (FCO), a senior DFID staffer told *Africa Confidential*, but Prime Minister **Boris Johnson's** statement still took them by surprise.

'The comparison of **Zambia** with **Ukraine** and of **Tanzania** with the west Balkans was resented,' the staffer said of Johnson's statement. The goal of development policy is poverty reduction, as set by international practice and British law, which Johnson would be expected to know already, having been Foreign Secretary himself for two years.

His experience should also, our source noted, have shown him that the idea of DFID and the FCO pulling in different directions was an exaggeration. 'Practically all overseas missions have committees of DFID and FCO personnel chaired by the ambassador, who can talk to any project the UK has in the host country.' These 'alignment boards' keep the two departments in sync.

Among the challenges, our source believed, will be how to align DFID's governance work, through which it strengthens institutions in host countries to build resilience and accountability, with the FCO's political work.

But how much of the change will be fundamental is a moot point, we hear. The policy change, political pundits say, is about satisfying the nativist, populist distaste for aid which is fuelled by horror stories magnified in the tabloid press, such as the St Helena airport, or a programme to support young women in Africa which was dubbed 'the Ethiopian spice girls'. Some Conservative focus groups recorded 60% objecting to foreign aid.

The meat of any substantial change is likely to come out of the Bew Review, although it is already clear London intends to put greater emphasis on military and police training – which don't currently count as Official Development Assistance – as well as investment in climate change mitigation, which could also present greater opportunities for British business. ●

relationship with the Commonwealth, and clarify what the 52 other members could expect from 'Global Britain'.

Johnson and his allies have made no secret of their desire to push UK development policy away from humanitarian aid towards trade promotion, and focus on a small group of strategically important African countries such as **South Africa**, **Nigeria**, **Egypt** and **Kenya**.

The UK-Africa investment summit in January where Johnson hosted 16 African heads of state, offers hints of the direction the prime minister would like to go.

The summit resulted in commercial deals across the continent worth £15 billion and new deals are still

landing, the UK's Trade Commissioner for Africa, **Emma Wade-Smith**, told *Africa Confidential*, ranging from Aggreko's power business in **Cote d'Ivoire** to Diageo's breweries in **Kenya** and GSK's pharmaceuticals plant in **Egypt**. The government also committed £1.5bn of aid funding that it expects to bring in £2.4bn of private investment, and to a series of 'infrastructure partnerships' with **Egypt**, **Ethiopia**, **Ghana**, **Kenya** and **Uganda**, alongside the African Development Bank (AfDB).

But there are plenty of reasons to doubt that the merger signals any major change in policy direction. Foreign, security and defence, and development co-operation were all part of the UK's negotiating mandate for its future

relationship with the European Union. However, **Michel Barnier**, the EU's chief negotiator, expressed frustration after the fourth round of talks in June that his UK counterparts had not broached the subjects at all. Instead, the UK and EU teams are facing a race against the clock to secure a deal on trade in goods before the end of 2020. Development policy, and Africa, simply is not a priority in Whitehall.

Similarly, the Department for International Trade is taking its first baby steps towards post-Brexit trade deals. Talks have started with the **United States**, **Japan**, **Australia** and **New Zealand** (AC Vol 60 No 23). However, talks with any African countries will not begin until 2021 at the earliest.

CUTS

Covid-19 was already affecting DFID before the merger announcement. The department had already paused some aid decisions and had been instructed to prioritise 'lifesaving aid' and fighting the coronavirus pandemic.

Spending cuts are thought to be inevitable. Although Johnson has promised to maintain DFID's £15 billion annual budget and the UK's commitment to spend 0.7% of GDP on aid, total spending is likely to fall as a result of the Covid-19-induced recession which is set to result in an 11% decrease in UK output this year.

The FCO's non-ODA budget has fallen 15% in real terms since 2015, and once the merger is completed (likely in September 2020), around 96% of the budget of the new department, to be called the Foreign, Commonwealth and Development Office, will be Official Development Assistance – up from some 75% for the FCO alone in 2020/21. In spending terms, the newly minted FCDO will become primarily a development ministry and, say some Whitehall insiders, policy and power tend to follow the money. ●

SOUTH AFRICA

State companies in the firing line

With the ANC leadership united to fight the pandemic, President Ramaphosa may bring in liberalising reforms and end the bail-outs

Finance Minister **Tito Mboweni's** post-Covid-19 budget is a balancing act that offers President **Cyril Ramaphosa** a chance to radically restructure the country's ailing state-owned enterprises (SOE) or submit to

terms imposed by the International Monetary Fund (IMF) in exchange for finance by 2024, economists say.

A business leader close to government has confirmed that the country is technically bankrupt and

governor of the South African Reserve Bank **Lesetja Kganyago** has warned that there is no 'magic money' to bail out ailing SOEs.

Since the release of his controversial discussion paper last year Mboweni, being his own man with the confidence and independence of a former central bank governor, has stuck to his guns that government cannot afford serial bailouts of SOEs and that extensive job cuts and unbundling are needed urgently (AC Vol 61 No 5).

'State capture cost the country more than 1.5 trillion rand,' said Bonang Mohale, former CEO of Business

Leadership South Africa (BSA), an umbrella body that represents the country's most powerful corporations and negotiates with government on their behalf.

The combined impact of an economy already in crisis before the coronavirus pandemic and the subsequent lockdown has been disastrous. But insiders say that it has shifted the balance of power within the cabinet and the top six officials of the African National Congress (ANC) in Ramaphosa's favour if he is able to realise the power of the incumbent and lead on economic restructuring and curbing corruption.

'The added crisis of the pandemic has persuaded people to put their personal agenda's aside and support the team in time of crisis,' said one insider.

The anti-Ramaphosa lobby would rather opt for tough economic medicine than face the loss of sovereignty from an IMF bailout tied to stringent austerity conditions, we understand. But it is not clear if they are prepared to go far enough to avoid external intervention.

Investors are also looking for a signal that **Shamila Batohi**, the National Director of Public Prosecutions, is making headway in prosecuting the ringleaders of state capture under former President Jacob Zuma (AC Vol 58 No 13 & Vol 60 No 13).

Zuma, who faces 16 charges, including racketeering, fraud, corruption and money-laundering, has so far managed to dodge trial for the

past two-and-a-half years.

Busi Mavuso, current chief executive of BSA, signalled the impatience of business with the slow progress in rounding up the perpetrators of state capture but welcomed the recent arrest of seven people in connection with a R2 billion fraud at VBS bank, which saw politically connected individuals walk away with massive illicit payouts (AC Vol 59 No 24).

'The undermining of the rule of law by the state-capture brigade is one of the most damaging,' Mavuso said, adding that the National Prosecuting Agency had been 'steadily undermined for almost a decade through the appointment of supplicants'.

The bank fraud was peripheral compared to a near-decade of state capture involving disgraced former ministers.

These include **Mosebenzi Zwane**, **Nomvula Mokonyane**, **Faith Muthambi** and **Des van Rooyen** as well as senior party officials such as Secretary-General **Ace Magashule**, ANC Women's League leader **Bathabile Dlamini** and Deputy President **David Mabuza**.

BLOCKAGES

Ramaphosa is also facing growing pressure to discipline Mineral Resources and Energy Minister **Gwede Mantashe**, a political heavyweight and party chair, who is blamed for blocking changes that would help solve the country's chronic power shortages (AC Vol 60 No 24).

'There is energy being produced

in South Africa which is not being used,' said **Ntombifuthi Ntuli**, CEO of the South African Wind Energy Association. Similar blockages are being experienced by solar energy producers, energy experts say.

The market was caught unawares by Mantashe's recent announcement that his department had initiated a process to explore a nuclear build to alleviate the power shortage – this is not related to the now-abandoned nuclear deal with **Russia** (AC Vol 55 No 19). The minister is accused of hindering private-sector and renewable electricity generation – because they cost jobs in coal-mining – by refusing to make the regulatory and administrative changes that would enable renewables to feed into the national grid.

'In a fiscally constrained post-Covid environment the question has to be asked: what is Energy Minister up to,' asked **Anton Eberhard**, director of the Power Futures lab at the University of Cape Town's Graduate School of Business.

'It's crunch time for Cyril,' said another leading captain of industry. 'If he baulks at major changes now its end-game for a sovereign economy.'

The ANC, whose once two-thirds majority was pushed back to 57.7% in the 2019 poll, faces losing its outright majority in local government elections scheduled for mid-2021 and is seeking to have the poll postponed for three years to coincide with the 2024 national poll (AC Vol 60 No 10). ●

COVID-19/AFRICA

The pandemic's collateral damage

The focus on the coronavirus, coupled with logistical problems, is drawing resources from the fight against Africa's other serious diseases

Covid-19 is serious enough, but in Africa the unintended consequences of diverting health service resources may be even worse. 'The knock-on effects of Covid-19 on the fight against HIV, TB and malaria and other infectious diseases could be catastrophic,' **Peter Sands**, Executive Director of the Global Fund to Fight AIDS, Tuberculosis and Malaria, told *Africa Confidential*.

'Mitigating that impact will require swift action, extraordinary levels of leadership and collaboration, and significant extra resources.'

The incidence of Covid-19 in Africa continues to grow exponentially. The first 100,000 cases in sub-Saharan Africa took 98 days to be identified with

the 200,000 threshold breached just 18 days later. In a continent that has to date done very little testing, the alarm bells are ringing (AC Vol 61 No 12).

Last week, the health authorities in Lagos faced up to the 'impossible decision' of whether to instruct patients with mild symptoms (but still infectious) to care for themselves at home, or to free up space in other ways for the treatment of severe cases that were threatening to overwhelm health workers. Never slow to miss a crucial bargaining moment, the **Nigerian** Association of Resident Doctors (NARD) saw that as the moment to get their long-promised back-pay up to date and declared a strike, except on Covid-19 treatment wards. President **Muhammadu Buhari** instructed the

release of 4.5 billion naira (US\$12 million) to get them back to work.

Egypt's caseload has spiralled and it currently boasts the highest number of Covid-19-related deaths (over 2,300) on the continent, though some commentators suggest the real numbers may be higher. According to the Egypt Medical Syndicate, scores of health workers have died because of inadequate PPE (personal protection equipment), and others have been arrested for speaking out about being overwhelmed by cases. Meanwhile, the Minister of Aviation, **Mohamed Manar Anba**, has announced that all airports will re-open on 1 July, as will the nation's Mediterranean and Red Sea holiday resorts.

Elsewhere, **Ghana's** Minister of Health, **Kwaku Agyemang-Manu**, and **Zambia's** Health Minister, **Chitalu Chilufya**, have both been put out of action by the virus.

The continent's response is now moving towards stepping up testing for Covid-19, and trying to mitigate the damage to other health interventions

that threaten a similarly devastating health impact. The African Union-backed Africa Centres for Disease Control and Prevention (Africa CDC) has launched the Partnership to Accelerate Covid-19 Testing (PACT). According to AU Social Affairs Commissioner **Amira Elfadil Mohammed**, the programme has three main components: test, trace, and treat. The ambition is to roll out 15 million tests across the continent.

John Nkengasong, Director of Africa CDC, called PACT 'the game-changer' that will enable Africa to 'build the strong partnerships that will be needed to defeat Covid-19 on the continent'. But logistics alone continue to challenge intent. With reagents in short supply globally, and most airports in Africa closed, it is very difficult to move items around (AC Vol 61 No 10).

EgyptAir, **Ethiopian Airlines** and some charter carriers have been key partners of the agencies, but negotiating landing rights even for humanitarian flights involves detailed negotiation, we understand. An agency official told *Africa Confidential* that in one case it took two weeks to get clearance to send a consignment of medical equipment to the Comoros islands.

Increasingly, energy is being redirected to mitigate the damage being done to the other disease-management programmes. The Global Fund, having reallocated more than \$1bn to help fight Covid-19, is now trying to see how it can keep its existing

programmes on track. On 17 June it published a survey across 106 countries showing significant disruption to 85% of its HIV programmes, 78% of its tuberculosis efforts and 73% of its malaria operations. Just under 20% of these were classified as 'severe disruption' including cancelled or delayed prevention activities, or core staff being re-assigned to help with the Covid-19 response. The survey also identified difficulties with a Covid-19-related stigma preventing some TB and malaria patients getting treatment – early symptoms for both can be similar to those for Covid-19. There is also evidence that many patients are staying at home for fear of contracting Covid-19 in hospital.

'We have seen similar effects before in Ebola outbreaks, and we know that if life-saving HIV, TB and malaria programmes are interrupted, additional deaths from those diseases could well outstrip the deaths from Covid-19 itself,' said Sands.

He went on to detail how modelling has shown that deaths from HIV, TB and malaria 'could as much as double in the coming years as a result of the Covid-19 pandemic, wiping out many years of hard-fought gains, unless we can urgently provide health workers with the training, resources and protective equipment they need to safely continue their work.'

The intensity of malaria transmission is directly related to how prevalent

the disease is in any area. Mosquitoes spread it by biting another person after feeding on someone infected with the malaria parasite. The fear is that with malaria control measures being disrupted in many areas, the number of cases will, like Covid-19, increase exponentially. The effect could be even more devastating than Covid-19.

Michael Yao, Emergency Operations Manager for the World Health Organisation's African headquarters in Brazzaville, reiterated the urgency of getting programmes back on track.

'We are entering the rainy season [when mosquitoes proliferate], and it is imperative that we get our core interventions of bed-net distribution, diagnostics, and rapid tests to where they are needed. Thousands will die unnecessarily otherwise. It is the same for tuberculosis, but in some ways worse, because if you interrupt treatment, you trigger further drug resistance.'

There are already shortages of some HIV drugs, and while there is a three-month supply of other drugs, a huge re-supply programme is going to be needed very soon to ensure against stock-outs of key treatments, Yao said.

'Vaccination is also critical. We have just received our latest monthly reports [for the month of March] and I can tell you that measles vaccination in West Africa was 30% down against the number vaccinated in March last year. We cannot continue like this'. ●

MOZAMBIQUE

Frelimo's belated cry for help

Regional security bodies have been criticised for not doing more about the Islamist insurgency but Maputo was reluctant to sound the alarm

The crash of a Bathawk microlight aircraft belonging to the Dyck Advisory Group private military contractor (PMC) in Mozambique on 15 June has thrown a spotlight on a topic Maputo and Pretoria would prefer to keep hidden – the status of this force in Cabo Delgado province. The aircraft, which can be armed and used in a ground-attack role, was operating against Islamist insurgents in the province when it suffered a technical failure and struck the ground, seriously injuring the pilot, a source close to DAG said. Reports that the pilot had died were incorrect, the source added.

South African officials will not be

drawn on the status of DAG, which has been contracted since early April to the Mozambican police to operate against the Cabo Delgado insurgents following a surge in their operations (AC Vol 61 No 9). The officials cite the unavailability of certain personnel or an absence of instructions for not being able to respond to enquiries.

Official reluctance to admit that DAG has a green light from the government to operate in Mozambique may be the reason for official reticence. Pretoria also believes that Maputo is dragging its feet on summoning help through the proper channels, i.e. the Southern African Development Community (SADC) security organs, and this is

having diplomatic knock-on effects throughout the region.

A DAG crew had to destroy one of its helicopters on 10 April after making a forced landing while attacking an insurgent base (AC Vol 61 No 9). DAG has two further armed helicopters and a Diamond DA42 light twin-engine aircraft, a popular model with armed forces for surveillance work, but has not supplied ground troops. DAG came in after **Russia's** Kremlin-linked Wagner PMC, which had supplied ground troops under a contract with the Mozambican army, left after losing about 12 of their men to guerrilla action.

DAG boss **Lionel Dyck** was an officer in the Rhodesian Army who continued to serve after independence in 1980, including fighting in the early 1980s against the *Resistencia Nacional Moçambicana* (Renamo), which was then supported by the South African apartheid government to destabilise the Frelimo regime. He set up his PMC after retirement and initially worked on mine clearance and wildlife conservation.

DAG's status is awkward because South Africa takes pride in its strict controls on mercenaries. In February

last year the South African ambassador to the UN, **Jerry Matjila**, declared in a UN Security Council debate about mercenaries, 'South Africa condemns all mercenary activities in any African or non-African country.'

MERCENARY RULES

After unwelcome publicity about apartheid-era South African soldiers operating as mercenaries in **Sierra Leone**, **Nigeria** and **Equatorial Guinea**, parliament passed the Prohibition of Mercenary Activities and Regulation of Certain Activities in a Country of Armed Conflict Act in 2006. It says no South African may serve as a mercenary at home or abroad. But a contractor may apply for an exemption to the National Conventional Arms Control Committee, or receive permission from the President.

Under section 9 of the act the committee decides whether or not to grant the application according to whether or not the activity would conflict with South Africa's interests, would promote a coup d'état, lead to regional instability, or result in 'infringement of human rights and fundamental freedoms' where the contractor will operate.

There is no evidence that DAG has made such an application. If it did, the NCACC could turn it down if it took account of the numerous allegations of human rights abuses by the Mozambican armed forces. Only last week the Mozambican press reported that government soldiers executed 13 captured Islamist fighters after they refused to collaborate with them.

Pretoria is secretly allowing DAG to operate in Mozambique on the strength of a request from President **Filipe Nyusi**. We understand Nyusi promised that

DAG would be operating in a support role for Mozambique's security forces, and that revelations that DAG has been in the thick of offensive operations has angered Pretoria officials.

South Africa is prepared to allow uncertainty over DAG's legal status to continue, sources told us, so long as Maputo takes its problem to SADC, which is meant to be the forum for serious regional security problems like the situation in Cabo Delgado.

Maputo has been slow to engage with SADC's conflict procedure. On 30 April President **Emmerson Mnangagwa** – in his capacity as chair of SADC's Organ on Politics, Defence and Security Cooperation (OPDS) – met President Nyusi in the central Mozambican town of Chimoio, near the **Zimbabwe** border, and was briefed on the jihadist insurgency, a communiqué said. Rumours flew around that Zimbabwean troops had been deployed, but this was denied.

On 19 May the OPDS Troika, consisting of Mnangagwa and the presidents of **Botswana** and **Zambia**, met President Nyusi in Harare for a one-day summit to discuss a security response in Cabo Delgado. South Africa's foreign minister **Naledi Pandor** said after the summit that discussions on assistance for combating the insurgency would take place, but no concrete plan has emerged.

A follow-up teleconference meeting was delayed, with Maputo claiming a virtual meeting was inappropriate. This has not endeared Mozambique to its neighbours and patience is wearing thin.

In February during the 33rd annual AU summit, SADC was embarrassed when the AU Commissioner for Peace and Security **Smaïl Chergui** said the AU could help Mozambique, although

officials said it was unlikely the insurgency would be raised within the Peace and Security Commission 'any time soon'.

Protocol-wise, SADC and its OPDS are meant to take the lead on regional help but they cannot do so without Mozambique taking the initiative.

At bottom, sources told *Africa Confidential*, Nyusi is embarrassed at the scale of the conflict and ashamed of his government's failure to take on the insurgents until the past three months. The hotbed of the current insurgency is where, in September 1964, the now ruling *Frente de Libertação de Moçambique* (Frelimo) fired the first shots in its war against the colonial power, **Portugal**. It is also Nyusi's home province and drawing attention to the conflict causes him loss of face.

SHORT-TERM GAINS

Although newly trained Mozambican forces have scored significant battlefield successes in the past three months, with insurgent casualties from ambushes and assaults by DAG aircraft rising to over 200, doubts remain about whether, once the ground has been cleared of insurgents, it can be held in the longer term without investment in social capital and economic resources on a scale the area has never seen and is unlikely to.

Attention is now turning to September, when Mozambique takes the rotating chairmanship of SADC. The regional body has the SADC Brigade, a multinational fighting unit which has not seen action yet, ready to deploy but most observers believe its involvement in SADC's first serious counter-insurgency operation could still be a long way off. ●

EGYPT

The big borrow

Cairo has lined up external credit worth \$15bn to help it deal with Covid-19, but the debt will be sustainable only if there is a rapid recovery

The first hard indication of the extent of the damage inflicted by the coronavirus pandemic on Egypt's finances came in early April, when the central bank released data showing that its foreign exchange reserves had fallen by US\$5.3 billion during the previous month to \$36.4bn (excluding gold). These reserves had been at a comfortable level for the past three years thanks to a combination of increased external

borrowing, strong inflows of direct and indirect investment, and a steady rise in remittances and tourism revenue. The pandemic has forced Egypt to shut down foreign tourism, while remittances are set to fall, and portfolio investors have made a hasty exit (AC Vol 61 No 7). This has left external borrowing as the only feasible option to fill the financing gap.

Egypt has embarked on its quest

for new credit from a favourable position. The International Monetary Fund (IMF) and the World Bank have invested heavily since 2016 in a reform programme that had promised to set the country on course for a period of strong and sustainable economic growth (AC Vol 61 No 1). Bond investors had likewise taken the view that Egypt presented an appealing medium-term prospect. Having poured more than \$30bn into Egypt over the past three years, these institutional and financial investors have a powerful interest in ensuring that the country gets through the Covid-19 crisis with the minimum damage to its finances. The main risk is that an already large debt burden will increase, and that the economic recovery will not be strong enough to enable the government to pay back

these debts on time.

Egypt was one of the first countries to tap into the IMF's Rapid Financing Instrument, borrowing its full entitlement of \$2.8bn in mid-May. This facility, which the IMF boosted from 50% to 100% of a country's quota as part of the Covid-19 response, is aimed at providing emergency finance, and does not carry conditions. Egypt is already talking to the IMF about a stand-by arrangement as a means to support the continuation of reforms carried out under a three-year \$12bn programme from which the final tranche was disbursed in mid-2019.

In early June the IMF said that it had reached a staff-level agreement on a \$5.2bn standby agreement. In the meantime, the Egyptian finance ministry had tapped the bond market for \$5bn. Further support has been forthcoming from the World Bank, which in mid-June approved a \$400m loan to support the government's Universal Health Insurance System, which was launched in 2019. The World Bank has been heavily involved in Egypt's social programmes in the past few years, with \$900m in loans for social safety net schemes, \$500m for education, and a \$530m loan approved in 2018 for the health sector.

Once all of the recent loans have been disbursed, along with some other deals in the pipeline, Egypt's total external debt will have increased by more than \$15bn from its end-2019 level of \$112.7bn (the most recent official data available). This will push the debt:GDP ratio up to about 40%, compared with 14.4% in 2015, before the heavy borrowing started. However, most of Egypt's debt is long-term and

with relatively low interest rates. About 30% of the total debt is from multilateral institutions such as the IMF and the World Bank. The next-largest component is sovereign bonds, which will have reached about \$26bn following the most recent issue.

There is also \$17.2bn in deposits placed by **Saudi Arabia**, the **United Arab Emirates** and **Kuwait** between the seizure of power by President **Abdel Fattah el Sisi** in 2013 and the start of the IMF programme in 2016 (AC Vol 55 No 14 & Vol 59 No 4). Further aid of this nature is unlikely, given the financial challenges that these Gulf Arab states now face, but the existing deposits are being regularly rolled over. Another important component of the debt is trade credits, used in particular to finance fuel imports. These credits are likely to stabilise as oil prices have fallen, and Egypt's requirement for petroleum product imports has decreased sharply following the recent start-up of a new refinery in Cairo.

REFORM CONDITIONS

One of the most stringent conditions that was attached to the 2016 IMF programme was exchange rate reform. The government floated the currency, which triggered a 50% devaluation, resulting in a period of soaring inflation (AC Vol 58 No 1 & 5). The exchange rate stabilised in 2018, and appreciated by about 12% against the US dollar in 2019, and inflation has come down to about 5% (AC Vol 58 No 8). The central bank initially appeared to be trying to hold the exchange rate steady as Covid-19-related pressures mounted, but between mid-May and early June, the rate depreciated by about 3%.

This coincided with the appraisal by the IMF staff mission of the government's request for a standby agreement; the IMF has previously insisted that the central bank should minimise its interventions in the foreign exchange market. The IMF board is due to consider the standby agreement on 26 June and will almost certainly approve it.

The new borrowing will bolster Egypt's foreign exchange reserves, keeping them at a level that will cover five to six months of imports of goods and services. The support from the IMF has also encouraged some portfolio investors to come back into the Egyptian market. However, there is little prospect of any meaningful recovery for tourism before 2021, and even then visitor numbers are likely to be well below 2019 levels. There is also a big question mark over remittances, which brought in about \$25bn in 2019, accounting for roughly one-third of total current-account receipts. The government reckons that about 60,000 Egyptians had been repatriated from the Gulf by mid-June, and these numbers will grow rapidly as flight restrictions are eased.

Egypt's real GDP grew by 5% in the first quarter of 2020, following growth of about 5.5% in 2019. There was probably a real-terms contraction in the second quarter, and even under the most benign scenario for Covid-19 – globally and in Egypt – the recession is likely to last until at least the first quarter of 2021. Thereafter, Egypt will be saddled with a much larger debt burden and will depend on revived foreign investment, tourism and exports to generate the foreign exchange to cover its obligations. ●

CONGO-KINSHASA

A golden hoard

Artisanal gold production funds local militias and is exported from neighbouring countries. A UN report calls for more scrutiny of the trade

Artisanal gold exports from eastern Congo-Kinshasa have been high for some time, but no formal figures are available because nearly all production is unrecorded and informal. Between 10 and 15 tonnes of gold a year – worth around US\$830 million – has been a typical estimate. The UN's Group of Experts on Democratic Republic of Congo (GoE) suggests in its latest report that the real figure may be much higher. It estimates that gold-refining capacity in the Great Lakes region is

337.6 tonnes per year. The refineries are not operating at full capacity but even if they were only working at 25% of capacity, that would still mean 85 tonnes of gold is being mined a year, six times the current estimate.

According to the GoE, 219 tonnes of this refining capacity is held by African Gold Refinery (AGR) in **Uganda**, and a further 73 tonnes by Aldango in **Rwanda**. Together, the two companies have 86% of the region's total gold-refining capacity. The report produces

documents that show that **Alain Goetz**, who founded AGR, owns a company called Aldabra, and that Aldabra owns AGR. Aldabra is also a major shareholder in Aldango. Goetz also appears to own Dubai-based PGR Gold Trading, which provides refining and trading services to Aldango and AGR (AC Vol 58 No 25).

The GoE spoke to several Bukavu-based gold smugglers who sell to Aldango, who said they were paid in cash. Aldango confirmed to the GoE that the company does indeed 'sometimes' pay sellers in cash. Some of the gold comes from Misisi, South Kivu. The GoE reports that **Mai Mai Yakutumba**, a militia, finances its military operations from illegal taxation of gold production and trade from Misisi (AC Vol 58 No 20). The smugglers also purchase gold from Namoya, South Kivu, where the armed group **Mai Mai Malaika** is illegally taxing its production

and trade. Providing financing for illegal armed groups, such as *Mai Mai Yakutumba* is a UN-sanctionable offence (AC Vol 59 No 6).

The Group's report has clearly riled Ugandan President **Yoweri Museveni**. In a state of the nation address on 4 June, Museveni said that AGR is opposed by 'neo-colonial agents' but promised that 'we shall, however, defeat them' (AC Vol 58 Nos 5 & 12).

AGR is Uganda's biggest gold refinery. The GoE found that 95% of the gold officially exported from Uganda – 25 tonnes in 2019, most of which passed through AGR – was not of Ugandan origin. The Rwanda Revenue Authority told the GoE that Rwanda imported 5.3 tonnes of gold in 2019, and alleged, improbably, that a further 1.2 tonnes was 'local' production. Neither the **Burundian** nor the **Tanzanian** authorities shared any gold production or export statistics with the GoE. The only place this imported – as well as most of the 'domestically produced' – gold could have come from is eastern Congo-Kinshasa, yet official Congolese exports of artisan-mined gold from the region in 2019 were listed at just 73 kilograms.

AGR, Aldango and other refineries in the region all claim to implement checks on their suppliers, but this hardly happens, the GoE claims. Goetz told the

GoE that he was no longer involved with AGR and that the refiners had greatly improved their due diligence.

The GoE said it obtained a sales sheet for January 2020 issued by Uganda-based Metal Testing and Smelting to a Bunia-based gold smuggler for over 5kgs of gold. Meanwhile, Ituri-based smugglers told them that Kampala-based gold trader **Jamnadas V. Lodhia** also continues to buy from them. Lodhia owns Uganda Commercial Impex, which was sanctioned by the UN Security Council back in 2006 for buying conflict gold from Ituri. UCI remains under UN sanction, and sources close to Lodhia insist he is no longer in the business.

There are claims that Ituri province governor **Jean Bamanisa Saidi** has teamed up with **Sindika Dokolo**, husband of exiled **Angolan** billionaire **Isabel dos Santos**, to buy artisanal gold for cash and export it to Dubai. *Africa Confidential* asked for comment but none had been received by the time we went to press.

ASK NO QUESTIONS

Seven gold smugglers from Bukavu told the GoE that gold from South Kivu went to the **United Arab Emirates**, via Burundi, Rwanda and Tanzania. The smugglers said that once the gold reached Dubai, customs authorities

and buyers 'did not ask questions' about its origin. The smugglers said that Dubai customs officials accepted Congolese sales receipts as proof of the gold's origin, and did not ask for official Congolese export authorisation documents. The UAE authorities' response was that it was 'taking steps' to train customs officials to do better.

There have been multiple reports over the years showing that most artisanal gold from eastern Congo-K, and the Great Lakes region as a whole, ends up in Dubai. Receiving far less attention, curiously, is what then happens to the gold. Much of it ends up as jewellery, particularly in **India**, but many tonnes are shipped each year to refineries in Europe, and particularly **Switzerland**, which are members of the London Bullion Market Association. The LBMA prides itself on its proactive stance concerning conflict gold, and participates in the Organisation for Economic Cooperation and Development's annual responsible minerals sourcing conference (this year's was cancelled due to Covid-19).

Yet it is not clear that controls on gold imposed by LBMA members on refiners from the UAE genuinely mitigate the risk that these refiners have sourced their gold, albeit in small part, from parts of Africa where its trade evades state taxes and finances conflict. ●

EAST AFRICAN ECONOMY

Rose-tinted budgets

Finance ministers promise economic growth and increased tax collection. But that doesn't square with the reality

Optimism appears to be the name of the game as treasury ministers from **Kenya**, **Tanzania** and **Uganda** followed the recent practice of coordinating their 2020/21 budgets ahead of the next financial year beginning on 1 July. Each of them believes that they will avoid a Covid-19 recession.

The ritual was slightly disrupted by **Rwanda**, where the cabinet did not sign off on Finance Minister **Uzziel Ndagijimana's** spending plan in time to coincide with his counterparts' presentations on 12 June. He unveiled his government's budget on 22 June.

Burundi and **South Sudan**, the other members of the East African Community, are yet to present their budgets.

Unsurprisingly, amid the massive disruption to supply chains and industries caused by the pandemic – particularly to tourism and agriculture

– tax cuts and stimulus measures are on the menu across the region. All treasuries are offering a plethora of tax waivers, direct cash handouts and cheap credit to businesses to stimulate activity, focusing on agribusiness and manufacturing. That, in turn, will mean hefty budget deficits, even if the promise of international debt relief becomes reality in coming months.

With less reliance on the extractives sector, the region is well placed to escape the impact of collapsing oil and commodity prices, which are behind the World Bank's forecast of a 2.8% fall in GDP across sub-Saharan Africa, and retain its status as the continent's fastest growing region. But the numbers promised still look highly optimistic.

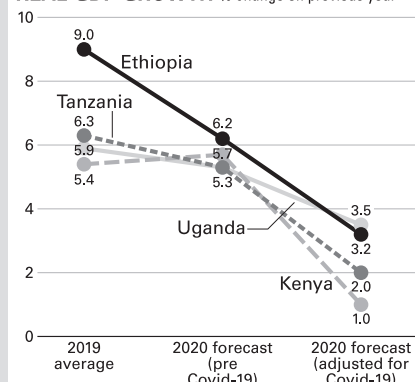
In Tanzania, Finance Minister **Philip Mpango** has forecast a 5.5% growth rate in 2020/21, more than double the World Bank's projection of 2.5%

published earlier in June, stating that 'the impact of Covid-19 on the country has been modest compared with most countries'. On 7 June, President **John Magufuli** told a church congregation in Dodoma that the coronavirus had been eliminated from Tanzania thanks to prayers to God.

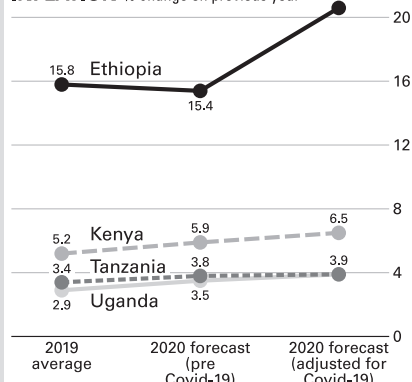
Uganda's Finance Minister, **Matia Kasaija**, says that his economy will record 3.1% growth, and Kenya's **Ukur Yatani** forecast 2.5%. **Paul Kagame's** Rwandan government has forecast growth of 2% in 2020. All expect to return to normality and growth rates of 5% or more in 2021 and 2022.

But with agricultural production set to fall by around 25% having been pumelled by the locust plague that preceded Covid-19, these figures all look distinctly optimistic. In Kenya, many observers believed that the 1.6% growth forecast by the World Bank was optimistic, and that the economy could shrink instead.

'There are downside risks for even slower growth if additional health and economic policy measures to mitigate the negative impacts of the Covid-19 pandemic are delayed or not well-targeted, or the external environment does not markedly improve this year,' the World Bank warns of Tanzania.

GROWTH IN A PANDEMIC**REAL GDP GROWTH** % change on previous year

Sources: IMF; Fitch Solutions; The Economist Intelligence Unit

INFLATION % change on previous year

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In Uganda, protecting domestic agriculture is the priority. Agricultural products will be exempted from value-added tax while stimulus measures are offset by 60% hikes to import duties on farming products.

Meanwhile, Kenya's rapid Economic Stimulus Programme and a 'Post Covid-19 Economic Recovery Strategy' aim to stimulate economic activities and grow the economy by 5.8% in 2021 and 6.5% by 2024.

In a nod to President **Uhuru Kenyatta's** legacy plans, almost 200 billion shillings (\$2bn) of extra spending is to be allocated to his 'Big Four' objectives, although more than half of it has been earmarked for health coverage, and small sums for housing and manufacturing (AC Vol 61 No 12).

Elsewhere, customs duty waivers for all inputs to textiles and mobile phone manufacturing, and a 25-35% hike on import duties on electrical parts, are designed to promote and protect local manufacturing.

The Central Bank has used up some of its room for manoeuvre. Reducing the Central Bank Rate from 8.25% to 7.0% and lowering the Cash Reserve Ratio requirement from 5.25% to 4.25%

is forecast to generate Ksh35 billion (\$350m) in private sector lending.

However, lowered rates for corporate and personal income tax, turnover tax, value-added tax and providing tax relief to low-income earners and employees will cost \$1.62bn.

That all adds up to larger deficits and the effective abandonment of the Kenyatta government's plans to reduce its deficit to 4% by the end of his second term in 2022. Worryingly, the Jubilee government has revised up the deficit for 2019/20 from 6.3% to 8.3%, increasing concerns that its forecasts of running deficits of 7.5% and 6.1% over the next two years will also be underestimates (AC Vol 60 No 13). Combined with a steadily rising debt burden which was already worrying domestic analysts, that could well prompt significant financial market pressure on Nairobi (AC Vol 61 No 11).

That was reflected by Fitch ratings, which quickly revised the outlook on Kenya's economy to 'negative' and warned that 'the coronavirus shock will drive a sharp economic slowdown and deterioration in the budget deficit and government debt/GDP ratio in 2020, against a background of a weak track record of fiscal consolidation.'

'Authorities are keen to address deficiencies and raise capital expenditure for projects at the same time,' says **Jibran Qureishi**, Standard Bank Group's head of research for Africa.

DEBT RELIEF

The bulk of the new borrowing in all cases will have to come from multilateral lenders and development finance institutions. The International Monetary Fund last month approved \$739 million from its Rapid Credit Facility for Kenya, along with \$491.5m for Uganda. Tanzania is seeking \$272m from the RCF and is in talks with bilateral creditors on debt relief.

It will be easier for Tanzania and Uganda to seek debt relief from the Group of 20 because they don't have existing Eurobonds, Qureishi said. Kenya does, however, and has already indicated that it will not seek debt relief under the terms announced by the G20 in April.

The optimism also extends to tax collection. Mpango's budget projects an 18% growth in revenues (see Pointer), while Kasaijja, who expects to finance 75% of his plan from domestic resources, expects tax collectors to collect 5% more in revenues. In Rwanda, Ndagijimana said 60.7% of the budget will be financed through domestic resources and the remaining 39.3% funded externally.

However, none of the region's governments have strong records on revenue collection and the chances of increasing the tax take look remote. Trade and income taxes are the biggest sources of revenue and both are likely to be significantly hit by the pandemic. Domestically, stimulus will deny governments some of the money they have been collecting from business while wage cuts will reduce income taxes. Supply chain disruption and lower demand for exports will drive down trade revenues.

Promising to increase compliance with the tax code and cracking down on fraud and avoidance is a common recourse of governments embarking on stimulus packages. It rarely translates into tangible results.

The region's governments are all but certain to rely solely on debt relief and cash injections from multilateral and development finance institutions (AC Vol 61 No 9). A glut of new state borrowing will, inevitably, squeeze the ability of businesses to borrow commercially.

The result is that despite the tidal wave of ministerial optimism, public reaction to the budgets has been muted. Instead, analysts expect ministers to have to table adjustment measures in the autumn. ●

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ALGERIA

Locking down the system

The elite is using the pandemic to consolidate its position while the grass-roots opposition struggles to regain traction

President Abdelmajid Tebboune's government is emerging from the coronavirus crisis financially much poorer but more politically secure, as the lockdown has given the post-**Abdelaziz Bouteflika** regime opportunities to entrench itself while fighting the disease (AC Vol 61 No 2).

Severe pockets of coronavirus remain around the country – including in the overcrowded prisons – and public protests over local mismanagement and lack of resources have resumed. But the lockdown from 17 March helped the densely populated cities control the virus and prevent Algeria's expensive public health infrastructure caving in under the pressure. Official figures – 777 dead and over 11,000 identified cases as of 15 June – are contested, but even if the toll is higher there is widespread agreement that it could have been much worse.

Politics continued during the lockdown, including corruption trials in civilian and military courts of oligarchs and other members of the *ancien régime*, including key allies of late military strongman Lt Gen **Ahmed Gaïd Salah**, as well as such fallen luminaries of Bouteflika's rule as ex-premiers **Ahmed Ouyahia** and **Abdelmalek Sellal**, and business moguls close to **Saïd Bouteflika** led by **Ali Haddad**. A slew of new and revived cases is expected as the authorities slowly wind down the lockdown.

Bans on public meetings and curfews keep crowds off the streets. It has left *El Hirak* ('the Movement') wondering how to regain the momentum that forced Bouteflika out in April 2019 (AC Vol 61 No 7). Tebboune and his backers have sought to outflank *Hirak* and any ideas of radical change. Work continues on a revised constitution, whose drafters say they have consulted opinion across the political spectrum and civil society. But this does not include the many *Hirak* activists in prison, nor those at liberty who refuse to participate in a process that will consolidate presidential powers.

Continuing popular frustrations were clear in the violently repressed demonstrations against the authorities' management of water resources in Tinzaouatine, in the deep south

wilaya (province) of Tamanrasset. The protests and harsh responses of 15 June, which followed months of apparently unheard demands for action, received widespread social, and then mainstream, media attention via images posted by local journalist **Akram Kharief**. The protestors used a video to appeal directly to Tebboune from their under-resourced corner on the border with **Mali**. Other demonstrations in dissident areas such as Bejaïa and Tizirt in Kabylie have made more direct political demands.

El Hirak's lack of leadership structures allowed it to build a broad-based opposition movement, channelling decades of pent-up frustration, but it has not been able to present a viable alternative to a resilient political system. While power has become even more centralised around the presidency, traditional establishment parties are restructuring. The *Front de libération nationale* (FLN) and *Rassemblement national démocratique* (RND) both brought representatives from all 48 wilayas for strategy meetings in Algiers in May and June amid criticism for risking spreading infection.

Hirak-inspired ideas to create transitional structures and new institutions – such as the proposal that imprisoned *Hirak* activists be freed to lead new transitional bodies – will remain a fantasy unless a mass return to the streets forces the issue. Leaders with popular recognition like **Karim Tabbou** remain in prison and crackdowns continue on social-media influencers. Tabbou leads a list of 70 prisoners of conscience held since 2019 issued by the *Comité national pour la libération des détenus* (CNLD) on 14 June.

El Hirak was showing signs of division well before the lockdown. Some parts of the movement are worried by the dominance of Berbers, while others are concerned by a growing Islamist element. Berber influence, one disenchanted activist said, 'worries our rulers and the countries which support them, such as the **United Arab Emirates**'. Islamist groups including the exiled but influential *Rachad* have gained considerable ground recently. *Rachad* has existed since 2007, based in London, Geneva and other exile centres;

its critics suspect it receives heavy funding from the Muslim Brotherhood-friendly **Qatar**. Arab vs Amazigh (Berber) and Islamist vs 'secular' splits have existed since the colonial era.

Le pouvoir ('the powers that be') has reorganised to fill the vacuum after Bouteflika and **Gaïd Salah** (AC Vol 60 No 17). Seen as a Salah placeman, interim Chief of Staff Maj Gen **Saïd Chengriha** has been busy replacing factional rivals in time-honoured fashion, notably *Direction générale de la sécurité intérieure* chief Gen **Wassini Bouazza**, who was arrested in April. Air force commander Maj Gen **Hamid Boumaïza** was quietly removed in late May, according to a decree published on 11 June.

Many senior officers are in prison, where ex-*Direction centrale de la sécurité de l'Armée* head **Athmane Benmiloud** has been charged with plotting against senior officers during the Gaïd Salah leadership; he complained of 'psychiatric problems' – a defence thrown out by a military judge.

Tebboune's recourse to governing with a revived *Haut Conseil de Sécurité* points to the army remaining dominant. There is speculation that Independence Day, 5 July, will give Tebboune the occasion to confirm Chengriha in the top job. A meeting on 14 June between Tebboune and Algeria's last military president, **Lamine Zéroual**, was seen by some as an occasion for the respected retired general to smooth tensions between angry factions within the top brass.

The army has been strengthening forces along the border with **Libya**, where **Turkey's** intervention has added to Algerian concerns – and **Morocco**, with whom tensions were most recently underlined by a spat over the Moroccan consul in Oran, **Boutaher Aherdane**, who Algiers claims is a spy. Algiers also accuses its neighbour of building a 'base' (Rabat says a barracks building) near the border (AC Vol 61 No 4). Jihadist groups remain more active across Algeria's borders – underlined by the report that *Al Qaida* in the Islamic Maghreb's (AQIM) veteran Algerian chief, **Abdelmalek Droudkel**, had been killed by French forces in northern Mali (AC Vol 61 No 12).

ACTIVE PLAYER

In a major change to its longstanding non-intervention doctrine, the new constitution is expected to allow the army to intervene abroad. Nationalists oppose **French** intervention in what they see as Algeria's zone of influence – and relations with France remain sensitive – but Tebboune's boosters say he has returned Algiers to being a more

active player in the United Nations, African Union and other forums, not least on Libya and Mali.

For now the biggest problems are at home, where an economic downturn exacerbated by the precipitous fall in oil prices has added to the pressures on Prime Minister **Abdelaziz Djerrad**, Energy Minister **Mohammed Arkab** and the director-general of state energy giant Sonatrach, **Toufik Hakkar**.

Tebboune downgraded Arkab's status to minister of mining in a government reshuffle announced on primetime television on 23 June that also saw finance minister **Abderrahmane**

Raouya replaced. Djerrad remains in place, while a prominent former head of Sonatrach turned consultant, **Abdelmadjid Attar**, was named energy minister. Attar is seen as well qualified to engage with the industry.

But government changes alone can't cover a major economic downturn. Sonatrach has already halved its budget for the year, while critical gas sales have slumped as traditional piped gas customers **Spain** and **Italy** turn to cheaper alternatives. Gas exports of 10.4 billion cubic metres in January-April were 30% down year-on-year. A supplementary budget

has been introduced to cope with lower revenues, but it will hardly win friends from a cash-strapped population.

Industry Minister **Ferhat Aït Ali** promises restructuring and reform, but this will likely follow a nationalist, centralising agenda. The minister describes continuing plans for vehicle-assembler *Société nationale des véhicules industriels* to be taken over by the military as an essential cost-saving measure and fails to see why 'exploiting' private companies should receive support during the pandemic (AC Vol 60 No 22). ●

SOUTH AFRICA

Farewell to arms

Debt-laden, dysfunctional and unable to find a modern role, the state arms-manufacturer is being steadily cut back

The debate about whether post-apartheid South Africa really needs its own arms industry and such a large military establishment has been raging since the country's first democratic elections in 1994. Civil society and many in the ruling African National Congress (ANC) believed that the advent of democracy was the perfect opportunity to scale down the size of both the military and the country's arms manufacturing capacity, freeing up funds that could be used for social development instead.

Yet the attraction of projecting military power and the imperative of supporting the public sector pulled the government in the opposite direction. Now, military expenditure is set to rise astronomically because of the massive cost of deploying soldiers to assist the police in the lockdown. Much equipment procurement is being put on hold as the country's manufacturing capability is run down.

Under apartheid the state had built up a highly self-reliant arms manufacturing sector designed to compensate for the arms embargo. It produced, with help from foreign sympathisers such as **Israel** and **Taiwan**, large-calibre artillery, helicopters, tanks, armoured cars and even a jet fighter.

After majority rule came in, reducing the military head count was judged too difficult while conducting the delicate and potentially explosive process of integrating the ANC's armed wing *Umkhonto we Sizwe* (MK) into the then-South African Defence Force

(SADF) to form the new South African National Defence Force (SANDF). And senior members of the ruling party, including the first post-apartheid defence minister **Joe Modise** and the then deputy president **Thabo Mbeki**, seem to have calculated that major new arms purchases from Western powers would bring lucrative fringe benefits, including funds to help pay for the ANC's 1999 election campaign (AC Vol 44 No 18). The result was the country's now notorious arms deal scandal, which is back in the news because of former President **Jacob Zuma's** long-delayed but now imminent trial on charges of taking bribes from **French** arms manufacturer Thales to keep its name out of an official investigation.

South Africa remains as short on regional and international enemies as it was in 1994, though the government continues to keep a watchful eye on **Angola**, which has a 90,000-strong armed force – more than twice South Africa's – and a history of regional aggression. Also, South Africa continues to deploy its armed forces in international peacekeeping missions, and particularly the UN Mission in **Congo-Kinshasa**. Those deployments give weight to South Africa's diplomatic efforts at the African Union (AU) and the UN.

Yet they have also been used unilaterally to project power, such as when President **Jacob Zuma** dispatched a force as to **Central African Republic** in 2013, when the troops vainly tried to prevent *Séléka* coalition forces taking the capital, Bangui, and lost 13 men and considerable face before leaving

(AC Vol 54 Nos 2 & 7). Defence Minister **Nosiviwe Mapisa-Nqakula** was known to have doubts about the advisability of that mission, as much as about the legitimacy of the regime it was defending.

In 2011 Zuma angered **Angola** and **Nigeria**, among others, for stationing the navy ship SAS Drakensberg off the coast of **Côte d'Ivoire** during the fighting which ended the rule of **Laurent Gbagbo** (AC Vol 52 No 4). Earlier that year Zuma even sent an armed force, though not SANDF, to try to protect **Libya's** Colonel **Moammar el Gaddafi** shortly before he was killed in the revolt which overthrew him (AC Vol 52 No 8).

Beyond that, the South African navy plays cat-and-mouse with **Spanish** and other trawlers over its fishing grounds, while its army units are deployed to protect the borders, particularly with **Zimbabwe** and, more recently, to join the police enforcing the lockdown. Late in May, we hear, a combined army and navy unit was sent to Pemba, in Cabo Delgado province, **Mozambique**. Sources said the unit was intended to defend South Africa's borders, although Pemba is thousands of kilometres from them.

Meanwhile, a South African private military contractor, Dyck Advisory Group (DAG), is operating in the same province against Islamist insurgents, although the legality of its mission under South African law is uncertain (AC Vol 38 No 5).

EXPORTS

In a rare appearance before Parliament and its defence committee, **Jackson Mthembu**, Minister in the Presidency, accompanied by Mapisa-Nqakula and her deputy **Thabang Makwetla**, have presented the two annual armaments export reports since President **Cyril Ramaphosa** was elected.

The officials mapped out the future and the scope of South Africa's weapons

production capacity and where to expect cutbacks. Officials have confirmed that export permits for aircraft ordnance, and both large calibre and infantry weapons to the Gulf will now be put on hold.

Although Covid-19 has eaten heavily into military budgets the Navy's locally built oceanographic research vessel, which doubles as the president's official yacht, still receives support and a replacement is being built in Durban. But the **Dutch**-built coastal maritime patrol vessels and the long-delayed local assembly of **Finnish** armoured personnel carriers are likely to be delayed and possibly scaled back.

This policy shift is partly due to sensitivity arising from President Ramaphosa's role as chair of the AU, where he oversaw the adoption of Agenda 2063 this year in Addis Ababa under the theme 'Silencing the Guns: Creating Conducive Conditions for Africa's Development'. The initiative is aimed at suppressing illegal small arms.

South African weapons and ammunition purchased by the **United Arab Emirates** and **Saudi Arabia** have been used in Libya, where there has a renewed push by the AU to find a ceasefire and respect the arms embargo there. This has given rise to calls back home to consider the morality of South Africa's arms trade and questions have been raised in parliament about whether the main state arms company Denel's supplies to **Turkey** have been used in **Syria**.

Another example of the difficulties that can arise was the government talks with the UAE ambassador to South Africa recently, where the lack of cooperation in the request for extradition of the notorious Gupta brothers, who remain in Dubai, was vigorously raised, according to one source present (AC Vol 61 No 1). However, it was not clear whether the UAE threatened future purchases of equipment from South Africa, such as Denel's contract to supply armoured personnel carriers.

South Africa, through Denel, continues to hold a minority stake in Denel Rheinmetall JV subsidiary at the Al Kharj weapons factory, roughly 80 kilometres south of Riyadh, Saudi Arabia (AC Vol 59 No 20). It can produce 3,000 heavy shells for a variety of munitions per day.

In the UAE, in association with Al Tawauzun holdings, Denel Rheinmetall also has a joint venture and a similar weapons assembly factory. Whether these minority stakes are disposed of will determine whether South Africa wishes to distance itself from the conflict in Yemen, for example.

Separately, the privately owned Paramount, led by South African **Ivor Ichikowitz**, operates a range of subsidiaries in the UAE in conjunction with the Emir's family; in the United States, and former Soviet far east, where it markets South African military hardware for production under licence (AC Vol 59 No 5).

In a move that would once have been unthinkable, the ANC's parliamentary caucus intends to move Denel back to the Ministry of Defence portfolio.

This would result in the ailing state-owned enterprise being run from the same ministry as the military procurement arm of the state Armscor, thus taking once more its apartheid-era form. Denel would also be housed in the same defence department as the post-apartheid export overwatch function, licence authority and permit issuer, the National Conventional Arms Control Committee.

Denel is officially on 'life support and in intensive care' as intellectual property, human and intellectual capital are lured away by better rewards and opportunities, our sources say. Denel required 1.6 billion rand (\$95m) last year in subsidies and is due to receive a further R1 billion (\$60m) in 2020.

However, the defence department has received a five-point 'qualified', or unsatisfactory, report from the Auditor-

General. Like Denel, the Ministry is beset with accountability and accountancy problems and recently had its budget reduced.

Of particular concern was R240m (\$15m) spent on the services of consultants Deloitte, and the unaccounted distribution of more than R400m (\$25m) from the Special Defence Account, which is believed to have residual funds of about R5bn (\$300m). This could yet be recouped and used to prop up Denel for years.

Denel itself is shedding assets. Its avionics and combat electronic technology products division have been sold to **German** company Hensoldt for an undisclosed sum. The pistol-manufacturing subsidiary Vektor is shuttered, with major contracts for police service arms going to Glock of **Austria**. SANDF recently awarded Beretta of Italy a contract to supply NATO-standard pistols.

AERO FLAWS

The cancellation of the Airbus A400M military transport aircraft contract has forced Denel Aeronautics to drastically restructure and comes after a decision to halt production of the Rooivalk helicopter gunship, designed during the apartheid era, due to a design flaw in its 20mm cannon. The work required to rectify the fault would have made an aircraft that never won a single export order still less competitive with tried and trusted machines like the **Russian** Hind Mi-24 troop transport/gunship.

As a result, Denel Aeronautics' sole remaining responsibility will be to keep operational the two remaining, 50-year-old plus Lockheed C-130 transport aircraft. There were four, but one crash-landed in Goma, Congo-Kinshasa, this year, and another had to be withdrawn from service after abandoning a take-off. Denel will maintain the Oryx Super Puma transport squadron and the existing fleet and will no longer market the Rooivalk. ●

SOUTH AFRICA

Making free with repression

After a strong start against the pandemic, Ramaphosa faces multiple complaints against the security forces and a looming economic meltdown

Civil rights activists, opposition politicians and business leaders are mounting legal and moral challenges to the lockdown, claiming it is being used as a cover for human

rights violations and corruption. Ten weeks of emergency restrictions are undermining the social contract (AC Vol 61 No 7).

As global protests against police

violence and racism in the **United States** after the police killing of **George Floyd** gained momentum, South Africans were asking why the names of most of the dozen people killed during their lockdown are not even known within the country, let alone abroad. President **Cyril Ramaphosa**, who chairs the African Union, has made its voice heard about Floyd but has been silent on those who died at the hands of security forces in South Africa.

According to human rights groups, 12 people have died as a result of the lockdown and the security forces

are being held responsible: of these, five were shot or beaten to death – including a seven-year-old child shot during looting – and four died in police custody. These are under investigation by the official Independent Police Investigative Directorate (IPID).

All the cases have been recorded and have police case numbers. Victims named by the human rights groups include **Petrus Miggels**, 56, **Sibusiso Amos**, 40, **Adane Emmanuel**, **Ntando Sigasa**, 34, and **Elma Robyn Montsumi**.

Of the 17 cases listed by Lawyers for Human Rights, only six of the victims are named and in only one case have the alleged perpetrators been arrested or suspended. Three of the victims were shot, say police, after they had threatened people with a deadly weapon and they said another two were looting.

Eight witnesses told IPID that they saw soldiers assault **Collins Khosa** on 10 April after accusing him of drinking an illicit beer while local police stood by. Khosa died the same day.

It showed the reality of policing under the Disaster Management Act, which was renewed on 1 June without consultation with Parliament. Local campaigners have taken the security forces to court over the attack on Khosa.

The court hearing evidence about Khosa ordered the suspension of a policeman at the scene of his beating, set down a code of conduct for the security forces to follow under the lockdown and called for a full investigation by both Minister of Police **Bheki Cele** and the South African National Defence Force (SANDF), which is backing up the police with 72,000 troops.

The Minister of Defence, **Nosiviwe Mapisa-Nqakula**, apologised to parliament for conflicting statements from her department. Legal advisor to the SANDF **Elvis Hobyana** filed an affidavit on 26 May which said that the investigation had been concluded and the soldiers exonerated.

But Mapisa-Nqakula subsequently said investigations were not complete and she had not received the report of the SANDF inquiry. A police investigation is still under way. 'As far as I am concerned there is no report,' the Minister said, adding that the matter was not closed.

The IPID told Parliament that there had been 828 complaints against police between 26 March and 5 May, of which 376 were lockdown-related including 280 incidents involving assaults, 79 with firearms being discharged and seven for corruption. LHR says that there have been 230,000 arrests under the lockdown.

Former Public Protector **Thuli Madonsela**, who exposed much of

the grand corruption under former President **Jacob Zuma** and is now the Law Trust chair in Social Justice at Stellenbosch University, warned Ramaphosa to expect more pushback against excesses (AC Vol 57 No 22).

'Parliament, which is an essential check and balance, has been missing in action,' she wrote in an open letter to Ramaphosa on 4 June. Madonsela said the trouble had begun with the 'indefinite extension' and then phased easing of the lockdown.

The usually bullish Ramaphosa has set out a grim scenario: the worst is yet to come in the pandemic and South Africans would have to live with the pandemic for the next 12-18 months (AC Vol 61 No 11).

Some of the loudest protests against 'unreasonable' measures in the lockdown were Ramaphosa's supporters in civil society, said Madonsela; the business community was now so concerned that it is prepared to speak openly rather than 'whisper the truth'.

Food parcels were being delivered haphazardly in a process increasingly tainted by corruption. She acknowledged that Ramaphosa was aware of the excesses and had encouraged people to take complaints to the courts. That raises questions about who is running the National Coronavirus Command Council, which sets the rules and regulations.

We hear the Council reaches its decisions by consensus. Ramaphosa often appears to be on the losing side of the argument. That isn't good enough for Madonsela who insists that it is now time to investigate these developments.

'We must remember, Mr President, that public policies and conduct must not only pass the reasonableness test in a court of law, they should also pass that test in the court of public opinion,' she said.

Arguing that many of the coronavirus regulations failed to comply with the constitution's equality clause, Madonsela asked Ramaphosa, 'how long can the edifice hold?'

Her concerns were echoed by **Busi Mavuso**, the Chief Executive of the Business Leadership South Africa (BLSA), who raises alarms about the court battles over lockdown rules (AC Vol 61 No 10). She argued that some of the draconian rules were eroding social solidarity, weakening the fight against the pandemic.

She cited a court ruling last week declaring some lockdown regulations unconstitutional. 'For a frustrated public, the court finding appears to give legitimacy to their grievances over the lockdown,' she said. The government is appealing the ruling.

Mavuso said rival operators have been lobbying for cuts in procurement contracts even when big companies were offering services, such as sanitising schools, free of charge. Some of this jostling has delayed the reopening of schools, she said.

More widely, Ramaphosa's promise of a zero-tolerance approach to corruption is under critical scrutiny again. This follows recent allegations of endemic corruption in cabinet minister **Lindiwe Sisulu's** department of Human Settlements, Water and Sanitation.

Often referred to as ANC royalty – she is the daughter of ANC heroes **Walter** and **Albertina Sisulu** – Sisulu has been accused of hiring advisors for exorbitant fees, an allegation she has vowed to probe. Some say her advisors have been trying to raise funds to repay debts incurred during her bid for the ANC presidency in 2017. Insiders say she wants to raise funds to win the deputy presidency of the party at its elective conference in 2022, and then run for the presidency in 2027.

Sisulu, who withdrew long before the 2017 vote, was made foreign minister before being demoted last May after a series of foreign policy blunders (AC Vol 60 No 3).

Revelations of the extent of corruption under the Zuma presidency persist and frustration at the lack of legal action against the accused is growing. **Dudu Myeni**, a close ally of Zuma's and former chair of national carrier South African Airways (SAA), was declared a 'delinquent director' on 27 May, which prevents her from assuming an executive post for the rest of her life.

Civil society watchdog OUTA (Organisation Undoing Tax Abuse) has been pursuing Myeni through the courts, developing a case that it wants the National Prosecuting Authority to use against her (AC Vol 59 No 4).

So far, the NPA has failed to prosecute any senior officials suspected of corruption serving under Zuma. Ramaphosa has removed the most corrupt officials from the cabinet and the ailing state-owned enterprises but the absence of prosecutions has created a sense of inertia on corruption.

The BLSA's Mavuso argued the government would have to prove the ban on tobacco sales, due to be tested in court, was effective in reducing smoking. Critics say it has simply helped the cigarette-smugglers while depriving the state of significant tax revenues.

The current toll of the pandemic is over 1,300 deaths and over 60,000 infections. The infection rates are doubling every 12 days. There is an estimated testing backlog of several hundred thousand.

The 10-week lockdown, which is currently being eased, had slowed the rate of new infections but has not contained the pandemic. The promised modest assistance of 350 rand (US\$20) for the most hard-pressed people

has still not reached many parts of the country. Government and private-sector food aid has helped some but many of those in outlying informal settlements are struggling (AC Vol 61 No 9).

Most have lost their jobs and many are not registered for unemployment benefits. National jobless figures were close to 30% before the pandemic and youth unemployment already exceeded 50% in some parts of the country. ●

BURUNDI

Life without the 'Supreme Guide'

The new president has the chance to soothe neighbours exasperated by his late predecessor's belligerence

Evariste Ndayishimiye was sworn in as Burundi's president on 18 June, 10 days after the sudden death of his predecessor, **Pierre Nkurunziza**. The ceremony followed a ruling by the country's Constitutional Court that he take office as soon as possible, even though the constitution stipulates that the President of the National Assembly, currently **Pascal Nyabenda**, should take over in the event of the president's demise. The judges determined that since Ndayishimiye won national elections in May, there was no need to install an interim head of state, who would then ordinarily have been required to hold fresh elections. The inauguration was originally scheduled for August.

Nkurunziza's death has been officially ascribed to a heart attack, but there is circumstantial evidence that it was due to the coronavirus. Nkurunziza, who repeatedly told Burundians that God would ensure the country's protection from the virus, made no attempt to minimise his risk of catching it during the national election campaign, when he attended multiple rallies and ecstatic prayer sessions, warmly shaking hands with all and sundry, and wearing no mask. Nkurunziza's wife, **Denise Bucumi Nkurunziza**, had been receiving treatment, apparently also for the virus, in Nairobi's Aga Khan University Hospital, but returned to the country on the evening of her husband's death.

Ndayishimiye started his political life in *Parti pour la libération du peuple hutu*, a party openly dedicated to Hutu power, but in the mid-1990s he joined the marginally more moderate *Forces de la défense de la démocratie* (FDD), which was then the armed wing of the *Conseil national pour la défense de la démocratie* (CNDD), the political party **Léonard Nyangoma** formed when he broke away from the *Front pour la Démocratie au Burundi* (Frodebu). Frodebu was then nominally the ruling party, but real power was held by the Burundian armed

forces, who were predominantly Tutsi. They had murdered **Melchior Ndadayé**, the country's first Hutu president, in 1993. As in neighbouring **Rwanda**, about 85% of the Burundi population is estimated to be Hutu, and 15% Tutsi.

During multiparty peace talks in Arusha, **Tanzania**, which culminated in the Arusha Accords in 2000, which paved the way to an eventual end to the country's long-running ethnic strife, the FDD split from the CNDD to form a new party, CNDD-FDD. The talks' moderator, former Tanzanian President **Julius Nyerere**, denied the new party separate representation, and it remained outside for the entire process, continuing its bush war in Burundi with Ndayishimiye one of its commanders and, later, its spokesman (AC Vol 43 No 6). The CNDD-FDD's war against the Burundian army continued after the Arusha Accords were signed, only ending in December 2003. CNDD-FDD fighters were integrated into the Burundian armed forces, and Ndayishimiye made their deputy commander as part of the agreement which ended the conflict.

Long-awaited elections in 2005 brought victory to the CNDD-FDD, and made Nkurunziza president. Nkurunziza appointed Ndayishimiye to the key post of Minister of Interior, and he later became the armed forces chief of staff and took the rank of general. In 2016, Ndayishimiye was elected Secretary General of the CNDD-FDD, putting him in line to succeed Nkurunziza. There have been reports that Nkurunziza would have preferred Nyabenda to succeed him as president while Nkurunziza transitioned to a new role as a self-styled 'Supreme Guide'. Nyabenda, however, has no military record and was never able to gain acceptance from the old guerrilla commanders who still control the CNDD-FDD.

Nkurunziza had alienated many within his own party, the Burundian political class as a whole, all international donors and most regional

heads of state by the time of his death, except for Tanzania's President **John Magufuli** and former President **Joseph Kabila** of **Congo-Kinshasa**. It should not be difficult for Ndayishimiye to ease relations with donors, if only by not being as overtly hostile to them as his predecessor. If he chooses a conciliatory course, aid should start flowing again, which will ease the pressure on the Burundian currency, slow inflation, and mollify civil servants, many of whom are owed significant salary arrears.

The new president's relations with his own party depend on how he manages his multiple patronage opportunities. Inevitably, there will be winners and losers. One key question is whether Ndayishimiye can tempt into his administration any of the numerous politicians, intellectuals and civil society activists forced to quit politics, many of whom fled the country in the face of Nkurunziza's increasingly bloody and repressive rule.

Despite his frequently overtly hostile relationship with Nkurunziza, Rwandan President **Paul Kagame** ordered the Rwandan flag to be flown at half-mast from government buildings after his death. Kagame may be signalling to Ndayishimiye that he is willing to consider a reset in his relationship with the Burundian government, but if that is the case, Ndayishimiye is likely to react cautiously, and to remain suspicious about Kagame's true intentions.

The **Kenyan** and **Ugandan** governments expect Burundi now to play a more constructive role in the East African Community at economic and political levels, but Magufuli's view is harder to read. Relations between the Tanzanian government and Burundi's predominantly Hutu parties have historically been warm.

Congo-K President **Félix Tshisekedi** will be relieved that Burundi now has a president who does not have an overt and historic friendship with Kabila, but he is likely to find that Ndayishimiye is just as ready as his predecessor to send troops into his country to pursue combatants of the *Forces nationales de libération*, led by **Agathon Rwasa** (AC Vol 53 No 19). Rwasa lost the May 2020 election but contested the result in the Constitutional Court. Rwasa lost that too, and, asked to comment, Ndayishimiye displayed little sympathy. 'Burundi is a family,' he said, 'and every family has its idiot.' ●

POINTERS

Côte d'Ivoire

AN 80s CLASSIC

■ There are plenty of heads of state in their 80s, but few who stand for presidential election at the age of 86. That's what **Henri Konan Bédié** – who was president from 1993 to 1999 – is doing in the elections set for October, hoping to ally his supporters with those of other opposition figures unable to join the contest and challenge the government candidate, Prime Minister **Amadou Gon Coulibaly** (AC Vol 61 No 6).

Former parliamentary speaker **Guillaume Soro**, convicted in absentia on graft charges and sentenced to 20 years' jail, is exiled in **France**. Ex-President **Laurent Gbagbo**, although free to travel once flights are restored post-Covid-19, could wait months before learning whether the International Criminal Court will uphold his January 2019 acquittal on alleged human rights crimes against the appeal of chief prosecutor **Fatou Bensouda** (AC Vol 61 No 12).

Soro and Gbagbo have passionate grassroots supporters. While both are allied with Bédié, more out of expediency rather than vision, it is unclear if their voters will switch to Bédié in the numbers required to threaten Gon Coulibaly.

Still convalescing in France after the fitting of a heart stent, the prime minister is President **Alassane Ouattara's** hand-picked successor, but could struggle to enthrone voters in regions outside his northern base.

Bédié is hardly known for rousing performances on the stump, but he enjoys name recognition and his ties to the nation's founding father, **Félix Houphouët-Boigny**, exert a strong pull over the Baoulé voters of central Côte d'Ivoire.

Bédié could broaden his electoral reach and counter worries about his age by announcing a next-generation figure from the Gbagbo or Soro camp as his vice-president.

Gon Coulibaly's team, meanwhile, has been focusing on a drive to register new young voters before the 24 June enrolment deadline.

Tanzania

TAXING TARGETS

■ The budget Minister for Finance and Planning **Philip Mpango** presented to parliament on 11 June held no surprises for citizens, but the next day's passing of the Finance Act caused alarm among foreign-owned companies. They fear that **Edwin Mhende**, Commissioner General of the Tanzania Revenue Authority (TRA), who already has a reputation for aggressive

tax-collecting, will act even more harshly now that he has new powers.

An amendment to section 51 of the Tax Administration Act now gives Mhende the power to label a company challenging a tax bill as a 'flight risk' if he believes it could leave Tanzania. Once classified as such, a company filing an objection to a tax bill is required to pay 100% of the disputed sum up front, as opposed to one third until now.

Companies have 30 days to appeal a tax bill and the TRA has six months to respond. Some firms are complaining that this could severely impact cash flow. It also begs the question of how companies hit with immense tax bills, such as Acacia Mining's now resolved \$190 billion and Shell's unresolved \$520 million bill, will navigate this change in regulatory landscape (AC Vol 58 No 12 & 13).

This amendment may compound existing cash-flow constraints from delays in VAT refunds. Currently, Tanzania takes an average of 110 weeks to pay VAT refunds.

The TRA has been given aggressive targets to meet. Sources reported tax collection techniques include multiple site visits and ongoing audits. The extractives sector feels it has been singled out for special treatment (AC Vol 59 No 1). The TRA reported that it hit 93.4% of its collection target in 2019/20. With its target increased by 6.4% for 2020/21 amid slowing economic growth, some companies are concerned that the 'flight risk' label could be used to boost short-term collection targets.

Malawi

NARROW GAPS

■ Malawi's rerun presidential election on 23 June went off relatively peacefully, and early returns as *Africa Confidential* went to press indicate that President **Peter Mutharika** has narrowly lost the election. Mutharika was opposed by the Tonse Alliance, with the Malawi Congress Party's **Lazarus Chakwera** leading the ticket, and the United Transformation Movement's **Saulosi Chilima** standing for vice-president.

That the polls would take place at all was uncertain until 19 June when the ballot-papers arrived and the government succumbed to pressure to release funding for the counting process. The ballots were ordered to be escorted by the army to the main tally centre – a process which could lengthen the usual time taken for the count.

In some areas, turnout appeared to be down, possibly due to election fatigue, after last May's results were thrown out by the Constitutional Court (AC Vol 61 No 3 & Vol 60 No 11).

However, indications are that the Tonse Alliance has a good lead in Chakwera's strongholds in the central region and has also done well in Chilima's base,

performing well in the north and in urban areas, especially Blantyre.

Mutharika dominated in his southern region base and those of his running mate **Atupele Muluzi**, which have a large populations compared to other regions. But Chakwera made inroads in places like Nsanje, Blantyre, Ntcheu and Balaka, which had backed Mutharika in the last poll.

If Chakwera does not clear the 50% hurdle, a second round will take place after the courts interpreted Section 80 of the constitution to mean that a winner needs an absolute majority rather than a plurality, a break from previous elections.

Senegal

FAKE NEWS FLASHBACK

■ An article smearing President **Macky Sall's** radical opponent in last year's presidential election may have been the work of one the country's most influential investigative journalists, **Baba Aidara**, according to a BBC World Service documentary on 14 June. But the Washington DC-based Aidara said, 'This accusation is false, untrue and defamatory,' and he threatened to take legal action. He has posted a long denunciation of the allegation on YouTube.

In January 2019 – a month before polling day – the article, published on the Modern Ghana website, claimed the anti-establishment candidate **Ousmane Sonko** had received \$195,000 from Tullow Oil in return for political favours. It was bylined 'Michelle Damsen', which at first glance resembles 'Michelle Madsen', a contributor to *Africa Confidential* who has written widely about Senegal, oil and mining. Madsen, who believes her name was borrowed to give the smear credibility, followed the cyber-trail of the story in the BBC programme. Tullow and Sonko denounced the article as fake but political commentators say it cost Sonko votes.

Africa Confidential reported all this at the time, and after Modern Ghana gave us the phone number and email address for the writer of the smear, we traced them to Aidara (AC Vol 60 No 4). When confronted by Madsen in the BBC documentary, Aidara insisted that his phone, email and Facebook page had been hacked and he was not the author of the smear. A cyberwar expert told the BBC that Aidara could have been the victim of a SIM hack, when an individual's phone number is taken over by the hacker. Aidara had not mentioned this before Madsen questioned him about it, however, or talked about it in the year since the smear was published.

The Senegalese media and opposition supported Aidara's account after Madsen's documentary received wide coverage. Sall's campaign employed political data analysts and cyberwar experts, it was reported.

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BLUE LINES

In a bid to grab attention amid the global pandemic, the Islamist insurgents in the Cabo Delgado province of northern Mozambique are edging towards the site of the country's planned giant gas export plant, Africa's biggest investment project. The latest attack, an ambush, killed eight people in a truck owned by Fenix construction services working alongside France's Total, which is arranging some \$16 billion of financing for the gas project. Total's section of the project, some 40 kilometres out to sea, will be easier to defend in the longer run.

Like others, this attack has been claimed by Islamic State Central African Province but is the first to target oil and gas industry contractors, and will ramp up pressure on President Filipe Nyusi's government. Nyusi hails from this region himself. It will draw more political attention. The crisis was due for discussion at the next SADC regional summit in September but that may be too long to wait.

Nyusi has downplayed the crisis, hiring the Dyck Advisory Group, a private security firm, despite South Africa, the United States and Portugal all offering military support. Nyusi's officials are yet to engage marginalised groups in Cabo Delgado and neighbouring areas, where there are multiple grievances against the Maputo government that are the basis of the insurgency. Activists say there can be no solely military solution and the government's current strategy risks playing into the insurgents' hands and ignoring legitimate complaints from local communities.

NIGERIA/UNITED STATES

At cross purposes on world trade

Abuja's support for Ngozi Okonjo-Iweala as next head of the WTO faces unforced errors and political hurdles

Ngozi Okonjo-Iweala, Abuja's candidate and emerging front-runner for the top post at the World Trade Organisation, faces tough questions about her campaign's use of lobbyists who advocate Biafran independence and accuse President **Muhammadu Buhari's** government of state-sponsored genocide.

Okonjo-Iweala's campaign is working with the political strategy and consulting company, Mercury Public Affairs, which some officials in Abuja have accused of driving a wedge between Nigeria and the US and the **United Kingdom**. Mercury, which says it is bipartisan, works for a range of entities and governments, some close to US President **Donald Trump's** administration and some of which have been targeted for sanctions (see box).

That flexibility may not be appreciated in Abuja. Mercury has been lobbying since 5 June, according to filings with the US Senate, in support of former finance minister Okonjo-Iweala's bid for the director-general post at the WTO, although the contract is now managed by Mercury's UK affiliate.

Officials in Abuja think Okonjo-Iweala's candidacy so important that they asked their own candidate, **Yonov Frederick Agah**, the representative to the WTO in Geneva, to stand down and make way for her (AC Vol 61 No 12). She is now Africa's top name up against Mexico's **Jesús Seade Kuri**, Moldova's **Tudor Ulianoschi**, South Korea's **Yoo Myung-hee** and Saudi Arabia's former minister of economy and planning **Mohammad Maziad al Tuwaijri**. Just

before nominations closed on 8 July there were reports that Britain would sponsor the Conservative former trade minister **Liam Fox** for the post.

CONTINENTAL RIVALS

Nigerian diplomats persuaded **Benin** to withdraw its candidate because they reckon that Okonjo-Iweala, a former managing director of the World Bank and chair of the board of Gavi, the Vaccine Alliance, would have Africa's best chance of winning. That argument hasn't convinced **Egypt's** candidate, Geneva-based lawyer **Hamid Madouh**, nor **Kenya's** nominee and former Minister of Trade **Amina Mohamed**; she signed up on 7 July quashing speculation that she would stand aside.

But at the same time, Mercury has been running a campaign for a radical secessionist group that is proscribed in Nigeria, the Indigenous People of Biafra (IPOB), which accuses President Buhari's government of genocide against the country's Christians, and calls for US Global Magnitsky Act sanctions against 'illicit actors'. It also wants to re-establish the state of Biafra, whose bid for independence led to Nigeria's catastrophic civil war from 1967 to 1970.

Mercury was hired to provide, 'strategic consulting and management services specific to issues facing the client', according to its mandatory filings under the US Foreign Agents' Registration Act. This involves an industrious campaign targeting US and British politicians, and working with newly established

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pro-Christian groups in support of these claims.

For these services, IPOB leader **Nnamdi Kanu**, who says he is in exile in **Israel** after Nigeria issued an arrest warrant for him, is paying Mercury a retainer of US\$85,000 a month, according to filings from last October (AC Vol 59 No 21). Kanu gives an address in the filings in Killeen, a small town in Texas close to the Fort Hood

US Army post about 60 miles from the state capital, Austin. The sources of that money are of interest to Nigeria's security services.

Mercury's campaign for Kanu has chalked up successes, persuading US Senators **Joni Ernst** and **Kelly Loeffler** to write to President **Donald Trump** to assert that there is state-backed persecution of Christians in Nigeria, and to consider sanctions against the leadership in Abuja.

On 8 June, President Buhari's special assistant **Garba Shehu** issued a statement lambasting the IPOB and Mercury campaign and regretting that it has publicly accused the Nigerian government of a 'silent slaughter' of Christians and that its supporters were able to get a meeting with US Secretary of State **Mike Pompeo** and make presentations to the US Commission on International Religious Freedom.

None of this has improved US-

Nigeria relations. The clash between US Treasury Secretary **Steve Mnuchin** and **Akinwumi Adesina**, the Nigerian President of the African Development Bank (AfDB) over the handling of an investigation into complaints against his management of the bank, raised tensions further (AC Vol 61 Nos 8, 11 & 12).

This has dissipated a little with the appointment of a panel to review an internal bank enquiry. The panel includes: **Hassan Jallow**, former Attorney-General of **Gambia**; **Mary Robinson**, a former President of **Ireland**; and **Leonard McCarthy**, a former Director of Public Prosecutions in **South Africa**.

They are due to report before the end of the month on the case against Adesina, who also used the services of Mercury Public Affairs, using the Nigerian Agriculture Ministry to settle the lobbyist's \$250,000 fee for supporting his successful campaign for the presidency of the AfDB in 2015. Adesina hopes to stand for a second term in August, provided the review endorses him.

QUICKSILVER INFLUENCERS

Based in Washington DC and with a network of international affiliates, consulting company Mercury LLC has established an eclectic mix of relationships in and around Africa. Aside from Biafran secessionist **Nnamdi Kanu** and World Trade Organisation chief contender **Ngozi Okonjo-Iweala**, Mercury's main interests on the continent are in Libya where it has a \$2 million per year contract with the UN-recognised Government of National Accord led by **Faiez el Serraj** in Tripoli (see pointer). Mercury sends a weekly note penned by the likes of former Republican Senator **David Vitter** extolling the latest GNA achievements to policy-makers in Washington.

One of Mercury's other sovereign clients is **Turkey**, the GNA's main military and financial backer in its civil war with General **Khalifa Haftar's** Libyan National Army.

That ties in with contracts worth \$1 million apiece that Mercury holds with the Turkish Business council and Turkey's embassy in Washington DC respectively. The firm has also lobbied on behalf of **Qatar**, another of Serraj's key supporters, and **Cameroon**.

The firm is also on retainer for **Zimbabwe's** Foreign Ministry, although the documents lodged under the US Foreign Agents Registration Act (FARA) which, curiously, are sub-contracted via a **United Kingdom**-registered subsidiary, Mercury UK International, do not disclose how much they are being paid by Harare. Its main activities for the Mnangagwa government include campaigning against the imposition of economic sanctions which, it says, fuel corruption.

Mercury boasts impeccable ties to the Trump administration. Its partners include President Trump's former deputy communications director **Bryan Lanza**, and its chief executive is veteran Republican New York politician **Kieran Mahoney**.

Mercury has batted away serial critiques of its operations. Its work with the pro-Russian government of ousted **Ukrainian** president **Viktor Yanukovich** and Trump's former campaign chairman **Paul Manafort**, jailed after being convicted last year in the wake of **Robert Mueller's** investigation into alleged Russian interference in the 2016 US presidential elections, prompted tough questions. Mercury said it didn't register the work with FARA on the advice of its lawyers.

Other clients include EN+ Group, the Russian firm which owns Russian oligarch **Oleg Deripaska's** aluminium producing giant, Rusal, and is led by a former UK government minister, Conservative peer Lord Barker, formerly **Greg Barker**. After Barker hired Mercury in the wake of the US State Department imposing sanctions on Deripaska, Lanza was instrumental in brokering a deal that saw a reduction of Deripaska's stake in EN+ to a level which allowed the sanctions to be lifted.

More irritating for the current US government, and perhaps also for some of Mercury's African clients, is its lobbying for Hikvision, supplier of video-surveillance equipment (including facial recognition systems) to **China's** security services. The US government has slapped trade sanctions on Hikvision, accusing it of supplying surveillance equipment used in the clampdown in China's north-east Xinjiang province, where Beijing is accused of effectively interning over a million Muslims and ethnic minorities. ●

TENSIONS

The friction between Abuja and Washington over the AfDB and Nigeria's handling of the counter-terrorism campaign against Islamic State in West Africa Province (ISWAP, an affiliate of *Da'ish*), as well as its response to the pandemic, are said to have dominated a call between US Secretary Pompeo and Nigeria's Foreign Minister **Geoffrey Onyeama** on 16 June (AC Vol 61 No 4). Insiders say that Okonjo-Iweala's candidacy for the WTO post also came up in the conversation.

On the following day in Washington, US Trade Representative **Robert Lighthizer** told Congress that the WTO had 'failed America and the international trading system' and that he wanted a broader reset of tariffs.

Lighthizer did not comment on which candidate the US would support as WTO director-general but said its new leader should back fundamental reform of the organisation and take a tough line on **China's** 'state-run' trade practices. He pledged that any candidate whose past actions suggested a 'whiff of anti-Americanism' would be vetoed by Washington. He is also said to prefer a candidate from a developed economy.

All the WTO's 164 members have a say in the selection process, with outgoing DG **Roberto Azevedo** from Brazil due to stand down at the end of August. Successful candidates in the past have emerged by consensus: the geopolitical reality of the WTO is that any candidate deemed hostile to either

the US or China won't succeed.

Some suspect that the negotiations won't produce a consensus and the organisation will find a caretaker

candidate for the short term. One suggestion in Washington is that it would be easier for the WTO to reach consensus over a candidate should

Trump lose the presidential election in November. That could make a stop-gap solution more appealing to the member states in the meantime. ●

NIGERIA

Divided we stand

President Buhari has papered over rifts in the ruling party but they will re-emerge ahead of national elections

With the Covid-19 pandemic spreading and the economy on the slide, the country's top politicians have taken refuge in the familiarity of an old-fashioned internal power struggle. Rival factions have been circling for months around the position of Chairman of the ruling All Progressives Congress (APC) in a succession of lawsuits, injunctions and contested appointments.

Control over the party hierarchy is seen by power brokers as essential for a successful tilt at the presidency in 2023 and other high-profile posts. President **Muhammadu Buhari** appeared to quell some tensions in an unusual in-person emergency meeting of party leaders at Aso Rock on 25 June. But the meeting has probably just postponed another confrontation as elections approach.

Adams Oshiomhole, a wealthy businessman, former trade union leader and two-term Governor of Edo State (2008-2016) had a target on his back from the moment he became party chairman in 2018.

Public complaints from his foes in the party of an abrasive and abrupt style of management masked more private concerns that he was too close to Buhari's then Chief of Staff, **Abba Kyari**, and, more significantly, to **Bola Tinubu**, Governor of Lagos State from 1999 to 2007 and one of the richest men in the country with a formidable real estate portfolio in the commercial capital.

Tinubu holds no official title in either the party or government but has a legendary political network and his many acolytes address him as 'national leader' of the APC, the 'Jagaban' or 'Asiwaju', among countless other honorifics (AC Vol 59 No 7). But at 68, Tinubu may not find another opportunity to transfer his influence behind the scenes into a run for the presidency after 2023.

Buhari's victory in the February 2019 elections did nothing to dampen the whispering, with Oshiomhole taking the heat for disappointing

results in central and western Nigeria. In November his opponents moved, launching legal skirmishes to suspend his local party membership.

Party sources say among those pulling the strings of the undeclared but ill-disguised campaign for a more favourable APC chairman was Transport Minister and former Rivers Governor **Rotimi Amaechi**, who also has ambitions on the Presidency and is close to influential Kaduna Governor **Nasir el Rufai** (AC Vol 61 No 13).

Meanwhile, others in the frame for 2023 have not been idle. They include: **Atiku Bagudu**, the Kebbi State governor who has been working closely with **Kayode Fayemi**, Chairman of the Governor's Forum and Governor of Ekiti State; **Rauf Aregbesola**, Minister of Interior; **Babatunde Fashola**, Minister for Works and Housing; and Vice-President **Yemi Osinbajo**. To Tinubu's frustration, all of those senior figures came up through his self-proclaimed south-western 'progressive school of politics'.

DEFECTION

It was the primaries for the Edo State gubernatorial election, due on 19 September, that brought the party rivalries to a head. Oshiomhole had fallen out with his successor as Edo State Governor **Godwin Obaseki** and opposed Obaseki's plans for a second term.

Although Oshiomhole ousted Obaseki from the APC nomination, the costs were high: Obaseki has switched to the opposition People's Democratic Party (PDP) and will stand as incumbent against the APC, heralding potential further defections on the national scene in the run-up to 2023.

Edo State's election will test the balance of power both within and between the two main parties. The APC has chosen Kano State governor **Abdullahi Ganduje** to lead a 49-strong campaign committee alongside governors **Hope Uzodinma** and **Yahaya Bello**, from Imo and Kogi

States respectively. All three won their governorships in elections marred by violence and accusations of fraud. Ganduje has fought off a demand by Kano's state house of assembly to have him investigated for corruption after a YouTube video appeared to show him receiving bags of money from a local contractor.

Backing Obaseki's candidacy for the PDP is Rivers State governor **Nyesom Wike**, who presides over the biggest state treasury after Lagos, and has put together an even bigger campaign committee. Edo is the only state in the south-south oil producing region that the PDP doesn't control, so much is at stake.

We hear that Tinubu accepted the 'Adams Must Go' consensus when he thought his caretaker replacement as chairman was set to be Senator and former Oyo State Governor **Abiola Ajimobi**, as confirmed on 17 June by a meeting of the party's National Working Committee. In a statement, the party said: 'According to Section 14.2. (iii), of the APC constitution, the Deputy National Chairman, North/South "Shall act as the National Chairman in the absence of the National Chairman from his zone".'

Rival factions disputed Ajimobi's elevation, arguing that **Victor Giadom**, the APC's deputy national secretary and from Rivers State, had a better claim. But Ajimobi was sick with Covid-19. With competing lawsuits entering double figures, Ajimobi died in Lagos on 25 June from the disease.

President Buhari then called the National Executive of the APC to a meeting in Abuja, which was a measure of the seriousness of the party's crisis, given the efforts his staff have made to shield the 78-year-old, who was acutely unwell in 2017, during the current health emergency. The Executive agreed to appoint **Mai Mala Buni**, Governor of Yobe State, to head a six-month caretaker committee to run the party with Senator **John James Akpan Udo-Edehe** as secretary. The meeting also agreed to dissolve the party's National Working Committee, another setback for Tinubu who had nurtured a cohort of loyalists on it.

TROUBLE AHEAD

Rival factions are saying little of substance in the aftermath of the reconfiguration of the APC, which suggests the Oshiomhole-Tinubu issues

have been resolved. Instead, over the next six months, the factions may regroup, raising further doubts about the longer-term direction of the party.

According to a senior party source, 'The APC has been slow to mature as an effective political party and to develop

a capacity for different elements to agree trade-offs and see the long term. Too often it is all-or-nothing. It's hard to see how all the big beasts stay on board ahead of 2023.'

Ahead of elections in 2015 and 2019, incumbent governments

haemorrhaged support in the face of thwarted opposition. The defection of Obaseki from the APC to the PDP shows the direction of travel in the face of weak leadership and internal division – although as things stand, the PDP faces its own feuds and rancour. ●

ETHIOPIA/EGYPT/AU The pride of lions

The obstacles to agreement over managing the Blue Nile dam are more about internal politics than technical issues

The positions of Egypt and Ethiopia over the Grand Ethiopian Renaissance Dam seemed as far apart as their respective capital cities as officials began another round of video-conferencing under the auspices of the African Union on 4 July. Observers from the AU, the European Union, the **United States** and **South Africa** – President **Cyril Ramaphosa** is chair of the AU and mediating between the parties, which also include **Sudan** – are watching the latest chapter unfold. Conflict over the GERD has been growing ever since, seven years ago, the fact that the dam would happen dawned on Ethiopia's neighbours.

According to a cabinet minister in Sudan, whose political fragility as it emerges from a 36-year dictatorship ill-qualifies it for full participation in the talks, 90% of the technical issues over the dam had been solved.

But the 10% remaining concerns widely contrasting national pride and geopolitics in Egypt and Ethiopia. While Egypt's President **Abdel Fattah el Sisi** runs a military regime to which no serious challenge is foreseeable, Ethiopian Prime Minister **Abiy Ahmed** is at the centre of a political maelstrom which could destroy the fragile federation.

Addis's relations with Cairo were already tense when Oromo activist and singer **Hachalu Hundessa** was murdered on 29 June and Abiy raised the spectre of possible Egyptian involvement. He said on 3 July, 'Those external and internal forces who were not successful with the GERD issue have tried their utmost efforts to create chaos at this time,' in an obvious allusion to Egypt. Abiy also promised to find and punish 'those that are pulling the strings'. At least 166 people have been killed in the rioting that followed Hachalu's shooting.

Abiy's invocation of foreign plotters – no one not seized by populist fury

really believes Egypt could have been involved – shows how serious his domestic political position is.

Abiy is creating a new ruling party, the Prosperity Party (PP), to replace the formerly ruling Ethiopian Peoples' Revolutionary Democratic Front and must forge a new national consensus (AC Vol 61 No 6).

Long-suppressed ethno-nationalist ambitions which the EPRDF could not contain have burst into the open since he became leader two years ago. His appointment was in part intended to help quell that turmoil but low-level skirmishes between the federal government and Ethiopia's constituent nations, and between them, have threatened to widen into more general and more violent conflict.

Free and fair elections originally set for August were supposed to confirm the dominance of the PP and channel separatist passions into parliament, but these polls, which were delayed in March at the start of the coronavirus pandemic, have now been postponed for at least another nine months.

NATIONAL FOCUS

Conventional wisdom suggests that Abiy, like the late EPRDF visionary Prime Minister **Meles Zenawi**, needs the dam as a rallying point. Its immense scale, and the more or less voluntary contribution of all Ethiopians towards the capital needed to build it provided a nationalistic focus free of ethnicity.

With little else to offer ferocious militants often careless of the consequences of confrontation, it suits Abiy politically to defy Egypt over the dam. A hostile foreign power apparently holding Ethiopia in contempt can usefully channel divisive internal energies.

Against such a background, drought mitigation protocols and dispute-resolution mechanisms over water-

release when the dam reservoir is full look like small potatoes.

Egypt was angry with Addis's insistence that it will start filling the reservoir regardless of the views of others when the last round of talks ended inconclusively on 17 June. Its pride was affronted, and its view of itself in the region.

Egypt wants to influence events in **Libya** and has allied itself with conservative elements in the military in Sudan trying to hold the line against participatory democracy. Sisi needs to assert Egypt's sovereignty, as it sees it, over the Nile.

However, even if Ethiopia is ready to close the dam and start filling it, the issue of water flows will not become urgent for at least another two years. At the fastest rate, and assuming the most generous rains, the filling would take over five years.

Although the figures of 70% or 80% are often used to describe how close the dam is to completion, the final portion is the most expensive – turbines and distribution grids – and Ethiopia has no international finance to call on. (Because Addis never involved neighbouring countries in the planning, no international financial institution could offer finance.) Major delays have followed corruption in one of the parastatals in charge (AC Vol 59 No 23).

Nor is Egypt on the brink of the Nile being reduced to a trickle by a vengeful foe, whatever Sisi's propagandists may claim. The Aswan Dam only produces a small portion of Egypt's electricity, and its immense natural gas reserves supply a national superabundance of electricity, some of which is exported to Sudan. The 1.5 gigawatts of solar power which has been installed in the past three years to the north of Aswan is almost equivalent to the High Dam's entire hydroelectric capacity.

Egypt has long been ignoring its own rules on water conservation, and allows water-intensive agriculture projects, such as paddy rice, to proceed although restrictions are beginning to be applied. Faced with a lower flow of the Nile, Cairo has many options for economising on water use, most of which were supposed to have been enacted long ago. But nobody wants to adopt such measures under duress.

Nor has pride been a factor only on the African continent. The White House tried to prove that it could handle international diplomacy as well as the State Department, which it has spent so much time decrying, when it brokered talks in Washington between Cairo and Addis at the behest of Treasury Secretary **Steve Mnuchin** in February. The ineptly

conducted mediation looked very much like bullying from Addis's perspective and it refused to sign an agreement which angry Ethiopian officials called an ultimatum.

Like the now almost forgotten clumsy attempt to bring peace to Libya, this gambit was less about using the US's best offices to help solve a little

local difficulty, than to present a neat image to the US electorate of a peace-making White House with global reach (AC Vol 60 No 24).

Against such a background, President Ramaphosa's best option may be to advise everybody to cool down, be patient and gather round their monitors in six months or so. ●

KENYA

A big tent for Moi's children

The President's attempts to co-opt oppositionists has reunited young Turks promoted by the late President Moi

Thirty years after the *Saba Saba* protests triggered the battle for the restoration of multiparty politics in Kenya, veterans of that struggle might be troubled to see that the current torchbearer of the country's opposition is **Musalia Mudavadi**, the establishment's quintessential grey man.

Mudavadi, 58, has emerged as something of a national moral conscience less by choice than by the shifts in the politics around him. As his erstwhile opposition allies in the National Super Alliance (Nasa) and older political allies in the Kenya African National Union (KANU) have recently gravitated towards President **Uhuru Kenyatta's** faction in the ruling Jubilee party, it is Mudavadi's conflicted loyalties to the status quo rather than a Damascene conversion to anti-establishment politics that have rooted him to opposition politics.

Having fallen out with Nasa leader **Raila Odinga** during the fluid aftermath of the January 2018 faux swearing-in which he failed to attend, and despite some flirtations, unable to reconcile himself either to the factions of Kenyatta or Deputy President **William Ruto** in the ruling party, Mudavadi has found himself in retreat from national politics, and therefore, increasingly locked inside Western Kenya's fractious leadership contests.

Together with Bungoma Senator and Ford-Kenya party leader, **Moses Wetang'ula**, Mudavadi is now inclined to take positions that quite often sound like an impassioned defence of the principle of democracy. When, a month ago, Wetang'ula found himself facing an insurrection in his own party ranks, almost certainly sponsored by factions close to State House, the usually soft-spoken Mudavadi came robustly to his Nasa colleague's aid (AC Vol 61 No 11).

'This mischief has been in the making for some time now. It is calculated to invade and destabilise all independent political parties,' he said. 'Parliament has been taken hostage. They are going after political parties. Trade unions have been captured. The judiciary will be next. All the voices of goodwill that stand for constitutionalism and the rule of law must not allow this to stand.'

And then Mudavadi, once the country's youngest Finance Minister, the last of **Daniel arap Moi's** vice-presidents and later a deputy prime minister – in short, a creature of the establishment if ever there was one – quoted Rev **Martin Niemöller**, 'First they came for the socialists and I did not speak out...'

All this was true, and nobody else was saying it. And yet, Mudavadi was only deploying these high-minded sentiments to achieve narrow ends.

HOLDING OUT

It remains to be seen how long Mudavadi will hold out as an independent force. Unlike some of his contemporaries, he appears unfazed by the dangled promise of financial largesse that would come from doing a deal with State House. While he is independently wealthy, there is no evidence that he has managed to secure the kind of financial backing that would allow him to mount the nationwide challenge for the presidency in 2022 that he says he wants to make.

A coalition between Mudavadi's Amani National Congress (ANC) and **Gideon Moi's** KANU would have expanded the reach and influence of these two Moi scions beyond their individual ethnic bastions. Moi's greater priority in the wake of his father's passing, however, has been to take on an increasingly vulnerable Deputy President Ruto for the mantle of Kalenjin

leader (AC Vol 61 No 6). The signing of a coalition agreement between Jubilee and KANU was unambiguously angled to this end.

Both the sinecures and concrete political benefits have arrived: the appointment of KANU's **Samuel Poghiso**, as Senate Majority Leader; various state appointments, and more ostentatiously, Gideon Moi's assignment to represent President Kenyatta at new **Malawi** President **Lazarus Chakwera's** inauguration. In another sign that the independence party has sensed its moment to take on Ruto, Poghiso, who is also KANU chair, recently announced that it was reviving moribund party structures and going on a nationwide membership drive.

Mudavadi's ANC has been unable to expand onto the national stage and remains, for all intents and purposes, a western Kenya-based ethnic party. While Mudavadi may expect that, given his pedigree and long experience, the mountain will have to come to him, his restive party members could begin to regard his lack of political mobility as being unfavourable to their own interests. In 2007 and 2017, it was Odinga's Orange Democratic Movement that solved both problems, providing Mudavadi with a larger political vehicle while simultaneously mobilising the western Kenya base into a larger nationwide movement.

With Mudavadi resolutely against any future alliances with Odinga – a major factor influencing his reluctance to enter Kenyatta's big coalition tent – he can only appeal to the phantom of western Kenyan Luhya unity and hope that the Kenyatta and Odinga machinations generate sufficient sentiment to shift the base in his direction.

BROMANCE

This scenario remains distant but plausible if the Kenyatta-Odinga bromance holds. But there are cracks emerging. Tensions are growing between Odinga's point-men and Kenyatta's over the selection of parliamentary committee members in House committees earmarked to push the Building Bridges Initiative agenda in parliament. After the replacement of pro-Ruto House Leader, **Aden Duale**,

with former Kibaki-era finance minister, **Amos Kimunya**, ODM legislators were unhappy that Kimunya did not appear keen to replace pro-Ruto legislators on the specified committees. Tellingly, Kimunya defended himself by saying that he was only following orders from State House.

While a falling out is in neither Kenyatta's nor Odinga's interests, we hear that State House remains wary that in such an event, there is every possibility that Odinga and Ruto could craft a pre-election deal; Odinga's recent public dalliances with close Ruto allies such as **Oscar Sudi** only serve to

heighten these fears.

At the same time, in bringing back so many of late President Moi's political children into his tent, Kenyatta has practically ensured that KANU's old assurance at the dawn of the multiparty era that it would rule for 100 years, remains not a threat but a promise. ●

MALI

Keïta clings on

A deal that could end the deadlock that has brought thousands to the streets demanding the President's resignation is edging closer

News that on 5 July the beleaguered head of state President **Ibrahim Boubacar Keïta** (IBK) had held talks with **Mahmoud Dicko**, the conservative imam whose mass mobilising appeal has given real clout to protests of recent weeks, fuelled speculation that a settlement might be imminent. The cleric has made a point of stressing that he himself is not demanding Keïta's head – though many of his political and civil society allies in the *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP) are still reluctant to compromise.

A range of diplomatic actors have met Dicko and various opposition figures, but the serious mediation work has been left to the Economic Community of West African States, which in mid-June despatched a mission to Bamako comprising the Nigérien and Nigerian foreign ministers, **Kalla Ankourao** and **Geoffrey Onyema**, the Ecowas commission chief **Jean-Claude Kassi Brou** and politics, peace and security commissioner **Francis Behanzin** (AC Vol 61 No 12).

They propose re-running legislative elections in 30 seats where a constitutional court revision of the original results of polls held in March has controversially boosted the government's parliamentary strength by 10 seats. This was the metaphorical 'straw that broke the camel's back' for many critics of 'IBK'.

But some other Ecowas recommendations have proved less popular with M5, notably the suggestion that the president should form a new national unity government. Many fear this would simply allow the president to 'de-fang' his main opponents without making significant concessions, just as – in their view – he did when appointing the once fiercely critical **Tiébilé Dramé** as foreign minister last year (AC Vol 60 No 22).

Ecowas is simply not prepared to endorse the opposition's demand for the resignation of Keïta. While Dicko, the opposition's most charismatic voice, insists he is not pressing for IBK's departure, he has abandoned his former electoral endorsement of the president (AC Vol 61 No 4).

PREMIER CLASH

The issue that finally swung the imam was the stance adopted by **Soumeylou Boubèye Maïga**, appointed prime minister by Keïta in December 2017. Maïga cut off support for the commission that Dicko had set up to try to develop a dialogue with Mali's two most prominent homegrown jihadist chiefs, **Iyad ag Ghaly**, head of the *Jama'a Nusrat ul-Islam wa al-Muslimin* (JNIM) and **Amadou Koufa**, who leads its central Malian subsidiary, the *Front de Libération du Macina* (FLM – AC Vol 60 No 19).

This provoked Dicko into mobilising mass protests in April 2019. Keïta caved, replacing Maïga with the technocrat **Boubou Cissé**, reportedly with the imam's behind-the-scenes endorsement.

With assiduous discretion, Cissé has worked hard to regain the goodwill of northern community leaders and, early this year, the President appointed the respected former transitional head of state, **Dioncounda Traoré**, to make fresh overtures to Ag Ghaly and Koufa, this time on behalf of the government itself.

DICKO'S TUNE

Both in terms of the security crisis in the centre and the north, Keïta is now pursuing a strategy much more in tune with the approach favoured by Dicko.

The imam is a Malian nationalist who has never endorsed violent jihad and has even praised the French-led *Opération Serval* military intervention

of 2013 – but he has always argued that an end to armed jihadist activity can only be achieved through dialogue. After the March 2012 military coup he travelled to Kidal and Gao to meet the jihadist warlords who had taken control of the north.

In recent interviews, Dicko has recounted how he secured the release of some captured soldiers but was unable to convince the die-hards, particularly **Abouwalid al Sahraoui** – now head of Islamic State in the Greater Sahara (ISGS) – that full-scale sharia law with traditional physical punishments was not appropriate for Mali.

His decision to now publicly describe these 2012 peregrinations is a pointer to his current positioning. He has placed himself at the centre of an opposition campaign focussed on good governance and accusing IBK's administration of election-rigging and corruption.

Dicko insists that he does not regard an Islamic republic model as suitable for Mali and dismisses suggestions that he is a wahabbist.

But while he is fully accepting of a secular state structure and legal regime, he remains a firmly conservative advocate of religious values in family matters and personal behaviour. Although he pursues a more purist expression of the faith, he maintains good relations with the Chérif of Niour, **Mohamed Ould Bouyé Haïdara**, probably the most influential figure in traditional Malian Sufi Islam.

Dicko's famously successful 2009 opposition to a family law reform that would have boosted women's rights has not been his only campaign of this type. More recently he attacked a sex education textbook that he felt was indulgent of homosexuality.

But even before assuming his role in the current movement of protest over purely secular political issues, he was clearly looking to a broader political agenda.

Last year he stepped down as head of the High Islamic Council to launch his own movement, the *Coordination des Mouvements et Associations de Soutien*, recruiting a former head of Oxfam Mali, **Mohamed Coulibaly**, as his diplomatic advisor, to cultivate Bamako's international community. ●

MALAWI

Lazarus rising

Political pluralism gets a boost as the President balances the demands of voters with those of his broad coalition

While former President **Peter Mutharika** finally packed his bags and sought solace at an official government holiday residence on Lake Malawi, newly elected President **Lazarus Chakwera** faces the same challenges that have foxed so many of his predecessors. His fragile coalition with Vice-President **Saulos Chilima** is beset already not only with the challenges of the coronavirus, but also with squaring the insistent demands of those who helped him to victory with his ringing pledge to eradicate corruption and bad government.

His inauguration was held with just 100 people present because of concerns about infection spreading in the stadium event originally planned for 6 July, also Independence Day.

A growing youthful population, corruption at all levels, ineffective civil service and poverty that ranks Malawi as one of the five poorest in the world are among the challenges he must address. His campaign made extravagant promises and significantly raised expectations.

The Assemblies of God pastor turned politician finally won the election with 2.6 million votes, or 59%, beating Mutharika by 1 million votes after 18 months of political battle that saw Malawi courts annul the results of the May 2019 election (AC Vol 61 No 13 and Vol 60 No 11).

Mutharika and his Democratic Progressive Party (DPP) claimed the elections were rigged but most Malawians celebrated the win by the Tonse Alliance of Chakwera's Malawi Congress Party (MCP), Chilima's United Transformation Movement (UTM), ex-President **Joyce Banda's** People's Party (PP), her former deputy **Khumbo Kachali's** Freedom Party and five smaller parties.

Mutharika's gambit of boosting his chances by joining with the United Democratic Front's (UDF) **Atupele Muluzi**, son of Malawi's president from 1994 to 2004 **Bakili Muluzi**, did not succeed. Muluzi's vote of 1.9 million in the 2019 election fell to 1.6 million.

To the relief of many, Mutharika has not made any legal challenge to the conduct of the polls, despite claiming his party's agents were chased out of Chakwera's strongholds. Election

fatigue was evident in the low turnout of 64%, down from 74% in 2019 and 71% in 2014.

Chakwera offered 'servant leadership' and clean government after years of looting of public finances, the creation of one million jobs within his first year, an increased public loan scheme from 15m kwacha (US\$20,000) to K75m and a fertiliser subsidy programme which lowers the price of a 50-kilogram bag from K20,000 to K4,495.

But he already faces claims he has backed down on a key electoral promise. His provisional budget for the next three months has revealed that 3.5 million farmers will benefit with a limit of two bags each, fewer than expected, and there will be a limit of two bags per farm. There has been disappointment because two bags can only support one acre of a farm for a year. The government says it will move funds from 'non-priority' areas to fund this and other expensive pledges.

PROMISES

President Chakwera tried to soften the blow by telling Malawians that the reduction was merely a start towards a universal subsidy. Many economists doubt if Malawi can afford a huge subsidy programme. Most of the country depends on subsistence farming.

Chakwera has also lifted the income tax threshold from K35,000 (\$50) to K100,000 (\$140) and has signalled his intention to increase the minimum wage to K50,000 (\$70) from K35,000 which will affect unskilled labour for the main cash crop industries, such as tobacco, tea, cotton and sugar, which are the largest employers.

Other key promises include a K75 billion (\$100m) loan scheme for small businesses, for which the provisional budget has provided K40bn (\$55m) as a start, tax breaks for businesses including a duty-free week, establishment of mega-farms and new airports in Mangochi and Mzuzu, completion of Mombasa University in the north and dozens of roads across the country.

The provisional budget is pegged at K722bn (\$980m) and the government is expected to borrow K209bn (\$285m) to finance it. The economy has slowed

and financing options will be limited. Malawi's economy is closely linked to that of its major trading partner, **South Africa**. Chakwera has promised to be a president 'for all', which will be tested when he starts his anti-corruption drive.

Close allies of Chakwera and Chilima are baying for the blood of Mutharika and DPP officials. The President has already sacked acting Inspector-General of Police, **Duncan Mwapasa**, seen as a tribal henchman for Mutharika. Chakwera's appointee **George Kainja**, a Chewa like the President, hail from same district of Lilongwe. The new Finance Minister, **Felix Mlusu**, is also Chewa.

Going after Mutharika in the manner desired by the UTM is easier said than done. The Tonse Alliance has only 60 MPs against 64 for the DPP/UDF alliance, the rest being independent. Moves to prosecute DPP leaders could result in hold-ups in parliament for the government programme.

The Human Rights Defenders, who led the persistent anti-Mutharika mass protests, have put up public notices inviting evidence of DPP malpractices. They say they want to reclaim what was stolen from the public and they would hand over all information to the Anti-Corruption Bureau. The HRD hopes to stay relevant and retain its influence with the new administration.

Going after graft should involve persisting with the Cashgate corruption prosecutions, which significantly slowed in recent months (AC Vol 57 No 16). One signal of the new president's intent regarding graft could be to allocate more resources to prosecutors.

The biggest political challenge will be to hold the Tonse Alliance together as leaders of the nine-party block expect to be rewarded with important jobs, although the public has been led to expect professional, merit-based public service.

UTM Secretary-General **Patricia Kaliati**, a veteran political warhorse who was in the cabinets of Bakili Muluzi, **Bingu** and Peter Mutharika, is expecting to be appointed, we hear (AC Vol 60 No 5). Joyce Banda's son **Roy Kachale**, who is the PP's Vice-President, is also said to believe he is in line for a senior post.

Former Vice-President **Khumbo Kachali** is said not be seeking a cabinet appointment while those who are eyeing a senior job include Tonse Alliance member-party leaders such as Alliance for Democracy President **Enock Chihana**, who was in Joyce Banda's cabinet, billionaire businessman and People's Progressive Movement leader **Mark Katsonga Phiri**, former presidential candidate for Umodzi Party

John Chisi and Peoples Transformation Party (Petra) president **Kamuzu Chibambo**. The cabinet was expected to be announced as *Africa Confidential* went to press.

OLD VICES

Nepotism, tribalism and rewarding mediocre party loyalists were among Mutharika's vices, and Chakwera will be anxious not to be accused of the same.

His first appointments saw Chilima, who had publicly pronounced that he would also serve as finance minister, being given the Economic Planning and Development portfolio instead, which political insiders regard as a snub. **Felix Mlusu**, who retired after 41 years at an insurance giant, will head the treasury instead.

So far, the Vice-President has not commented. His close aides are awaiting, they told *Africa Confidential*, a full briefing on what to expect in the new administration.

Meanwhile, the MCP's lead lawyer in the annulled presidential election case, **Mordecai Msiska**, turned down an offer to become Minister of Justice,

saying he had obligations at his law firm and that the ministerial post would have been seen as a reward for his role in the case.

However, Chilima's lawyer **Chikosa Silungwe** has accepted the post of Attorney General in the new administration, which means he will have to recuse himself as his former firm is claiming K9bn (\$12m) in legal fees from the Malawi Electoral Commission, to which his office is the legal advisor.

The new president's allies are mainly religious people and his choice of Farmers Union of Malawi Chief Executive Officer **Prince Kapondamgaga** as his Chief of Staff reveals his main preference for 'born-again' Pentecostals, with another advisor, **Sean Kampondeni**, who is also his son-in-law, another of the key early appointments.

The president's allies say that he likes to consult widely, while others claim he has dictatorial tendencies, surrounding himself with people he can control. They cite the mass firing of MCP officials who disagreed with him in the early years of his party presidency as supporting evidence.

Chakwera will be expected on the one hand to offer unprecedented honesty, and on the other to display 'loyalty'. His home Northern Region, which has been side-lined for years but was crucial to the new president's win, expects much from him.

And then there is Covid-19. Case numbers have spiked, which may necessitate a lockdown, which Mutharika rejected. The new president was expected to announce new restrictions as *Africa Confidential* went to press.

The 65-year-old Chakwera has promised that at least 40% of all public appointments will be women, and his initial appointments will signal whether he can maintain the popular goodwill he has now or will quickly face the same resistance his predecessor came up against.

Mutharika, meanwhile, is now expected to retire from politics, and is finishing building a sprawling mansion along the lakeshore. He becomes the third president to lose office at the polls after founding President **Hastings Banda** in 1994 and Joyce Banda in 2014. ●

SOUTH AFRICA

Showdown to follow lockdown

As an ANC faction moves to reinstate provincial officials and delay economic reforms, Ramaphosa's credibility is on the line

As South Africa continues to ease its Covid-19 lockdown, President **Cyril Ramaphosa** faces a country teetering on the brink of bankruptcy, a ruling party more divided than ever, and pushback against reform on three fronts.

Often at odds with other senior figures, and sometimes overruled by them, the President is either winning or losing the battle – depending on whom one talks to – but it is clear to all that a showdown is close.

As the pandemic gains momentum countrywide, Ramaphosa's foes in the ruling African National Congress (ANC) are frustrating his efforts to curb corruption while his erstwhile trade union and communist allies try to block efforts to cut government spending and restructure ailing state-owned companies (AC Vol 61 No 13).

While the Hawks special investigation unit made seven arrests last month of officials suspected of looting VBS Mutual Bank to the tune of 2.7 billion rand (US\$160 million), those who raked off billions under former

President **Jacob Zuma** have yet to face criminal prosecution. The arrests included the CEO of VBS Mutual Bank, **Andile Ramavhunga**. An eighth senior official of the bank, who could not be arrested earlier because he was under quarantine for Covid-19, was arrested on 5 July.

An exasperated National Director of Public Prosecutions, **Shamila Batohi**, said that the country needed to have a serious conversation about corruption (AC Vol 61 No 1).

'We are not winning,' she said. 'I must be candid. At the moment we are not winning the battle yet.'

Batohi inherited a national directorate which lawyer sources said had been deliberately sabotaged by the former government from the top down and would take time to rebuild.

Although there have been no major trials of corrupt officials, there has been a steady trickle of tainted officials out of cabinet, the South African Revenue Service, the National Directorate of Public Prosecutions, state-owned

electricity utility Eskom, which was hollowed out by graft, and the Public Investment Corporation (PIC).

The Zondo Commission of Inquiry into State Capture, which was initially given 180 days to complete its work and is now approaching 600, has assembled a mass of evidence against the ringleaders of the corruption (AC Vol 60 No 15).

Ramaphosa has support from some ANC bodies such as the ANC Veterans' League, but resistance comes from within the Women's League, elements of the Youth League and the pro-Zuma *Umkhonto we Sizwe* Military Veterans Association, analysts say.

'He is making steady progress but it is often a case of two steps forward and one step back,' said one activist leader close to the Ramaphosa camp. 'Now is not the time to complain that the process is moving too slowly...it is the time for action.'

Leading the charge to underplay criminality is ANC Secretary-General **Ace Magashule**, himself suspected of collaborating with corrupt projects in Free State province during Zuma's tenure (AC Vol 60 No 16).

Stanley Mathabatha, Limpopo premier and provincial chair of the ANC, sided with Magashule in the ANC National Executive Committee meeting on 27 and 28 June, which an insider described as heated and at times acrimonious.

At a later meeting of the top six ANC officials, Magashule argued that the two officials, who were suspended two years ago after being accused of taking kickbacks in the VBS bank scandal in a report commissioned by the SA Reserve Bank, should be reinstated with immediate effect because it was unfair to suspend people indefinitely.

Insiders said that Ramaphosa argued that the officials, who have not been cleared but deny wrongdoing, should not be reinstated until the communities affected by the theft had been consulted. Others present at the meeting said there should be no lifting of the suspension until the consultation had taken place. The compromise they reached was that the community should be consulted to accommodate the views of those worst affected by the fraud.

Magashule put his own spin on the consensus at a media briefing after the 'top six' meeting when he announced that the two officials, **Danny Msiza**, treasurer of the ANC in Limpopo province, and **Florence Radzilani**, the Mayor of Vhembe and deputy chair of the provincial ANC, would be reinstated with immediate effect.

They were suspended in line with a decision of the party integrity commission in 2018 and several attempts to re-admit them failed. Magashule's critics say he distorted the consensus to make the lifting of the suspensions a fait accompli.

'The National Executive Committee took a decision to reinstate these comrades with immediate effect,' Magashule said. But ANC chair **Gwede Mantashe** then contradicted Magashule, saying that the ANC's top six were to meet with local officials on 9 July to discuss the matter.

Limpopo provincial secretary **Soviet Lekganyane**, who supported Ramaphosa's concern about the impact of the looting on the local community, was said to have broken into incredulous laughter when told about Magashule's public interpretation of the meeting.

'It is as though he [Magashule] is protecting comrades facing suspension for suspected corruption to save his own skin,' an insider said.

Msiza and Radzilani were named in the report as having taken large commissions for persuading municipalities to invest tens of millions of rand in the scheme. The money would then be looted for the benefit of politically connected individuals. The municipalities and small-time savers were devastated to find their accounts had been hollowed out when the bank collapsed in 2018.

Last year a government-appointed commission headed by Judge **Lex Mpati** to probe the affairs of the R2.2trillion (US\$138m) Public Investment Corporation, which invests funds on behalf of the state pension fund, laid bare a network of corruption among senior officials turning a blind eye to schemes such as VBS (AC Vol 59 No 24).

Ernest Nesane, PIC's head of legal counsel, governance and compliance, and **Paul Magula**, its head of risk management, were declared 'delinquent directors' in the Pretoria High Court which means that they cannot serve again as directors.

In the forensic report they were said to have accepted bribes of R17m (US\$1m) and R13m (\$760m) respectively for looking the other way while fraud was being committed.

PUSHBACK

Ramaphosa, who has faced ridicule in some quarters over the reinstatement of the ANC officials, is also facing pushback from some of his senior ministers on the National Coronavirus Command Council: **Nkosazana Dlamini-Zuma**, the Minister of Local Government and Traditional Affairs, the Police Minister **Bheki Cele**, and **Lindiwe Sisulu**, the Minister of Human Settlements, who is seen as a possible challenger to Ramaphosa for the ANC leadership in 2024. They have overruled him on decisions such as the ban on the sale of alcohol and tobacco (AC Vol 61 No 12).

Bongani Bongo, the former Minister of State Security under Zuma, is certain to lose his position as chair of the parliamentary home affairs committee ahead of his corruption trial.

Meanwhile the Hawks are investigating 20 allegations of corruption relating to the distribution of the government's R500bn (\$29bn) Covid-19 relief fund (AC Vol 61 No 9).

The third front on which Ramaphosa is fighting a rearguard action is on what trade unions see as an austerity budget presented by Finance Minister **Tito Mboweni** on 24 June. While the left protests, there is deep scepticism from analysts and the business community that the government can deliver it.

GAUNTLET

Mboweni threw down the gauntlet in his budget preamble when he insisted there were no further state funds available for bail-outs of South African Airways, which is under business rescue and teetering on the edge of liquidation.

Mboweni is the only senior official speaking out about the need for public service job cuts and privatisation (AC Vol 61 No 5).

Ramaphosa, however, straddles the two camps while the business community waits – and hopes – that he will play what they believe to be his true hand.

Fifty or so economists on the left have written a letter to the Parliamentary Standing Committee on Finance calling for the budget to be rejected in favour of a more redistributive approach with higher levels of spending.

As far as Mboweni is concerned, that will lead to a bail-out of the South African economy and a structural readjustment programme imposed by the International Monetary Fund by 2024 at the latest.

The treasury has hit back at the economists with uncharacteristic robustness and it would seem that battle lines are being drawn. 'The fight with the left is brewing,' said one prominent business analyst. ●

AFRICA ECONOMY

Doubts over post-slump bounce

Financial institutions share a baleful view of the pandemic's damage to Africa's economies, some doubling their estimates for lost growth

Economists in the international financial institutions have been updating their assessments of the damage the lockdown and pandemic are having on African economies on

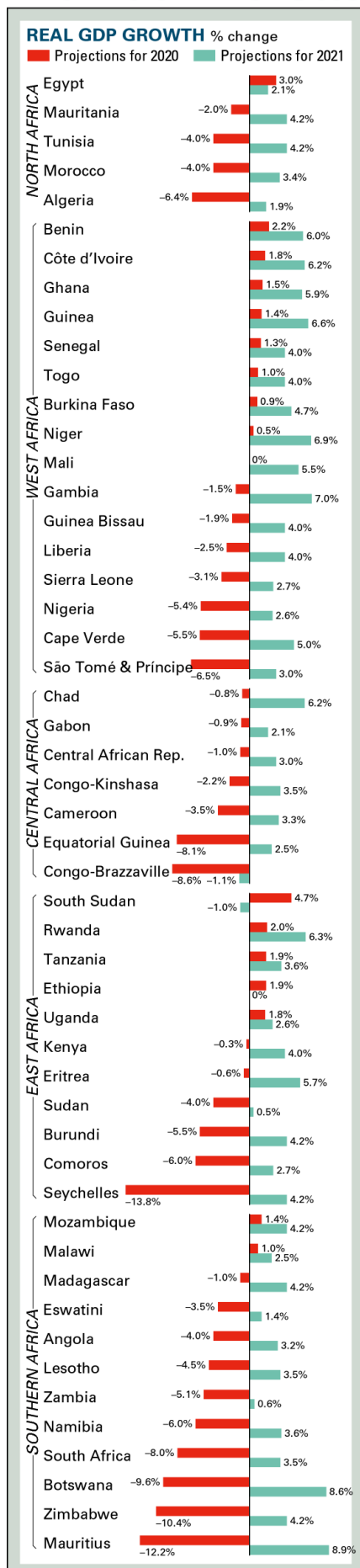
a weekly basis, we hear. Caution is the watchword and optimism is in short supply.

According to the African Development Bank's 8 July forecast,

growth across the continent's 54 countries is to contract on average by at least 1.7% this year. But it could be less than half that if the pandemic, now seen spreading at an exponential rate across Africa, continues unabated for the second half of the year.

Those losses, says the AfDB, could amount to almost a quarter of a trillion dollars with over 30 million jobs gone. The best projection for now was that Africa's economies would grow between 2.4% and 3% in 2021 after this year's crash.

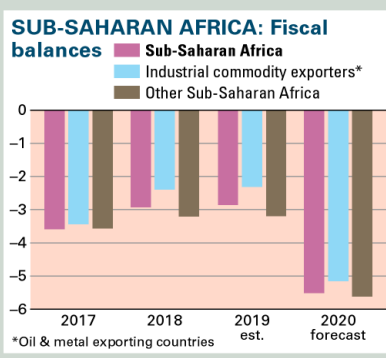
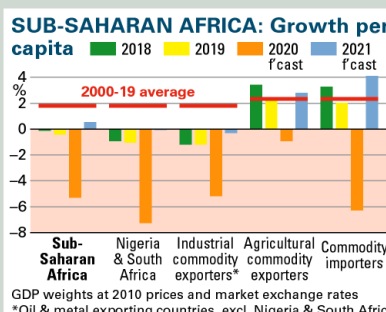
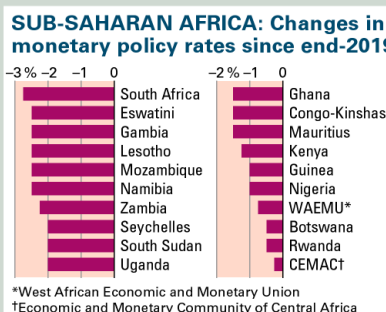
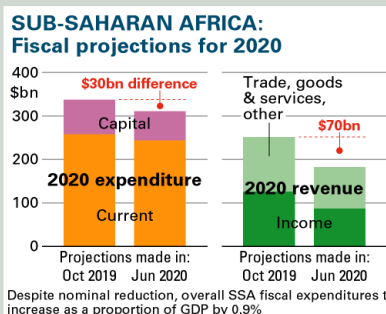
AFRICA FACES THE RISING COST OF THE PANDEMIC



APPROVED IMF EMERGENCY FINANCING
as of 2 July 2020

	In US\$ terms	% of world total
North Africa	\$8,890.4m*	10.7%
West Africa	\$6,812.2m†	8.2%
East Africa	\$2,300.7m	2.8%
Central Africa	\$889.4m	1.1%
Southern Africa	\$566.0m	0.7%
SUB-SAHARAN AFRICA	\$10,568.4m	12.7%
AFRICA	\$19,458.7m	23.4%
WORLD	\$82,987.5m	100%

Includes Rapid Credit Facility, Rapid Financing Instrument, Extended Credit Facility, Stand-By Arrangement, and Extended Fund Facility financing
*includes \$7.97bn for Egypt †includes \$3.4bn for Nigeria



The International Monetary Fund predicts sub-Saharan African economies will shrink on average by 3.2% this year, double the contraction predicted in April. The World Bank reckons SSA will contract this year by 2.8%, which still amounts to worse than minus 5% in per capita terms, meaning that between 26 to 39 million people will fall into acute poverty.

There are also concerns, given constraints such as debt and capital flight, that Africa's rebound could be slower than emerging markets in other regions which are forecast to reach around 5% in 2021, not in a 'V-shaped' recovery. IMF and Bank forecasts reckon at best in 2021 that Africa will return to growth rates of just over 3%, a pace predicted before the pandemic. That would neither improve living standards nor compensate for the losses this year.

Across Africa's 54 states conditions for growth, fiscal and debt management vary hugely. Its two biggest economies, **Nigeria** and **South Africa**, have taken the heaviest hits. But the World Bank predicts this year that, those two aside, commodity importers rather than commodity exporters could lose most (see charts).

Oil exporters are finding that lower prices and production limits are hitting revenues and fiscal deficits. In the medium term they will see delays to oil and gas projects and licensing rounds, and more cautious investors (AC Vol 61 No 12).

Tourism, hit by ailing airlines, international travel slowdown and national boundary closures, will suffer especially. South Africa's and **Kenya's** governments are trying to rescue their national carriers; so far, Ethiopian Airways is weathering the storm.

Although low-income economies should on average perform better in GDP growth terms than their middle-income counterparts, they are more vulnerable to a lengthy pandemic. This crisis hits casual workers and small farmers most of all. Even if the pandemic is contained, the poorest economies will see less of a rebound next year.

TRADE-OFFS

For many finance ministers and central bank governors, there is little room for manoeuvre: the average size of stimulus packages in Africa is around 3% of GDP, according to the IMF, far less than other emerging and advanced economies. Much of Africa's stimulus is a redirection of spending, previously allocated for investment and capital budgets, not new money.

A growing concern is the ability of governments to sustain higher public

health and education spending – needed to ward off a second wave – amid falling export revenues and reduced remittances from the diaspora.

The IMF advises governments to continue 'broad fiscal support' during this phase of the pandemic. That means holding off on plans to reform and boost revenue. Higher taxes might help balance budgets, but they could wreck companies and jobs with them.

Neither governments, nor the institutions that advise them, agree on a timeline to shift to policies that could restructure budget and revenue

systems, which will mean difficult trade-offs in this new landscape.

Nigeria has just introduced a 2.3 trillion naira (US\$6.4 billion) stimulus package under an 'economic sustainability plan' which targets spending on agricultural, housing, education, health, social safety nets and support for small businesses over the next year. The World Bank divides its response recommendations in Nigeria between near-term (3-6 months) and medium-term (6-15 month) measures. Revenue mobilisation reforms are medium-term; and measures for food

security, cash transfers, support to local healthcare workers, and boost coronavirus-tracking and testing are for the short-term.

So far, there are few signs that African policymakers will use the crisis to make major structural reforms or, as IMF Africa Department director **Abebe Selassie** now suggests, 'rethink their development models' to focus on production and jobs. For now, the debates within cabinet rooms and central bank board rooms are about battenning down the hatches and fighting the fire next time. ●

COVID-19

Pandemic mysteries multiply

Scientists are baffled by countries' varied experiences of the pandemic but agree on the risk that drugs shortages pose to people living with HIV

Across Africa, lockdowns are loosening even as Covid-19 continues its inexorable journey across the continent. As Johannesburg, Cairo and Lagos feel the heat, other cities and countries that expected a bumpier ride are wondering whether they have escaped the predicted catastrophe or are yet to experience one.

One senior health official commented: 'We all have theories, but no one actually knows. There is a Nobel prize waiting to be collected by whoever can unravel this puzzle.'

The situation in **South Africa** is perhaps the most documented in Africa.

Incidence quadrupled during June with the centre of infection moving from the Western Cape to Gauteng Province, which includes the near 6 million inhabitants of Johannesburg. As *Africa Confidential* went to press, deaths in the country from Covid-19 had crossed the 3,500 mark, with health experts predicting a final toll of somewhere between 30,000 and 70,000.

As expected, it is the poor from the high-density areas who are being hit hardest by the virus, and the eyes of the continent will be on South Africa to see how its relatively advanced health system will cope (AC Vol 61 No 11).

This week saw it overtake **Egypt** in the league table of lives lost to the virus (AC Vol 61 No 7).

INCIDENCE RISING

Meanwhile, in **Nigeria**, a senior doctor told *Africa Confidential*, 'We are definitely not flattening the curve. Incidence is rising rapidly, and we are only screening the symptomatic.' Given that the global evidence is showing that asymptomatic individuals are the most likely to transmit the virus to others, the direction of travel would appear to be clear.

In Lagos Covid-19 treatment is free in public health institutions once diagnosed, but patients requiring oxygen but awaiting positive confirmation have to pay (AC Vol 61 No 9). Typically, a test might take two or three days, but a choked laboratory diagnostic service means sometimes it is two weeks before a result is received. There are also reports of unusual cases with patients

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presenting with pulmonary embolisms despite no predisposing factors. When tested, they turn out to be positive for Covid-19. The vascular aspects of the virus remain enigmatic.

Elsewhere in Africa numbers remain modest but increasing. Elections in **Malawi** and **Burundi** have brought the predicted subsequent spikes in cases, and on 6 July **Madagascar's** Analamanga Region, which includes the capital city Antananarivo, was placed in total lockdown for two weeks after a sudden surge in cases (AC Vol 61 Nos 7 & 13). This will not have been good news for the marketers of President **Andry Rajoelina's** favoured Covid-Organics herbal remedy that he had been heralding as the cure for coronavirus. **Ghana's** much heralded test, track and trace programme has collapsed, overwhelmed by the sheer numbers of cases.

Tanzania, scorned as being the outlier in the pandemic for its refusal to lock down and close churches, does not yet appear to have suffered too badly (AC Vol 61 No 10). A leading physician in Dar es Salaam told *Africa Confidential*, 'We've seen a lot of cases, but most have been mild. It is hard to know where we are, but we can hope that maybe we

are moving towards herd immunity. However, we remain vigilant.'

On 6 July, **Kenya's** President **Uhuru Kenyatta** announced an easing of lockdown, lifting the curb on travel in and out of the key cities of Nairobi and Mombasa, but keeping the 9pm to 4am curfew in place (AC Vol 61 No 7). However, despite a growing caseload, he announced the resumption of domestic air travel from 15 July and, significantly, the resumption of international flights from 1 August. It is a calculated gamble, but one that is needed if other knock-on effects of lockdown (such as drug shortages) are not to be experienced (AC Vol 61 No 13).

WARNING

On 7 July, 73 countries warned that they were at risk of running out of antiretroviral medicines as a result of the Covid-19 pandemic, according to a World Health Organisation survey conducted ahead of the International AIDS Society's biannual conference. Twenty-four countries in Africa reported having either a critically low stock of ARVs or disruptions in the supply of these life-saving medicines.

The survey follows a modelling exercise convened by WHO and

UNAIDS in May which forecast that a six-month disruption in access to ARVs could lead to a doubling of AIDS-related deaths in sub-Saharan Africa in 2020 alone.

In 2019, an estimated 8.3 million people were benefiting from ARVs in the 24 countries now experiencing supply shortages. This represents about one third of all people taking HIV treatments globally. While there is no cure for HIV, ARVs can control the virus and prevent onward sexual transmission to other people. 'The findings of this survey are deeply concerning,' said Dr **Tedros Adhanom Ghebreyesus**, WHO Director-General. 'Countries and their development partners must do all they can to ensure that people who need HIV treatment continue to access it. We cannot let the Covid-19 pandemic undo the hard-won gains in the global response to this disease.'

A positive outcome of the pandemic in Africa was reported last week by Dr **Amani Abou-Zeid**, Commissioner for Infrastructure and Energy at the African Union, who said that lockdowns had cut Africa's road traffic death toll by over 70%. In 2019, the AU estimated that 292,000 lives had been lost on the roads in Africa. ●

TANZANIA

Magufuli wants a mega-dam

Experts say solar power is a better bet than projects like the Stiegler's Gorge dam, which has got the go-ahead in spite of conservationist concern

Plans to build a dam across the Rufiji River at Stiegler's Gorge pre-date Tanzania's independence, but no public or private finance could be found for the venture until 2018, when President **John Magufuli's** government announced that the 2,115 megawatt project would finally be built.

Since the 1960s, hydropower has been Tanzania's preferred source of electricity, with donor grants and soft loans financing a number of dams on tributaries of the Rufiji, Tanzania's largest river. Several times, bilateral aid agencies and the World Bank appraised Stiegler's Gorge for a possible dam but decided that a large project could not be justified on the grounds of either power-demand projections or environmental impact.

Since the early 1990s successive governments have sought private investors after drought affected existing hydropower generation, and **Canadian**, **Chinese** and **South African**

companies made proposals to dam the Rufiji. But none was successful. In 2012 the government finally signed a memorandum of understanding with the giant **Brazilian** contractor Odebrecht but the initiative stalled when the Lava Jato ('Car wash') scandal broke in 2014.

SURPLUS

President Magufuli and his supporters argued that the dam – renamed the Julius Nyerere Hydropower Project last October – was essential to power his ambitious industrialisation programme, to put an end to electricity shortages once and for all, and to reduce the rate of deforestation by providing a source of cheap energy to replace charcoal (AC Vol 58 No 1 & Vol 60 No 18). Critics argue that the dam's claimed generation capacity by far exceeded demand projections, that ongoing natural gas projects were already creating surplus capacity, and that the

costs and timeframe were unrealistic.

The US\$2.9 billion price tag for the 130-metre-high by 700 metres wide dam was substantially lower than the \$4.7bn that Odebrecht quoted six years earlier, and the three-year construction period six years shorter than the Brazilian estimate. One critic argued that the dam was likely to cost up to three times the agreed contract price. In addition, if the power were to reach the rural population, it would entail huge investments in distribution infrastructure, while off-grid solar power was cheaper and more practical. Urban consumption of charcoal for cooking is better addressed through natural gas, which Tanzania has in superabundance and already supplies the bulk of the country's power.

Last, the capacity of the dam's contractors – Elsewedy Electric and Arab Contractors of **Egypt** – has been questioned on the grounds that neither had previously been involved in a major dam construction project. The contractors are part-financing the project with bank loans. In late 2018, Elsewedy secured a loan of \$500 million from the Cairo-based African Export-Import Bank, designed to finance their 45% of the project, with Arab Contractors funding the rest. It is unclear why Afreximbank did not make the loan – which has been guaranteed

PORT PROJECT SILTS UP

President **John Magufuli** likes to keep investors, international partners, and the opposition guessing, which can often help improve business terms for his country, even if it causes exasperation. Unusually, he has been able to use these tactics on **China** over another mega-project, potentially East Africa's largest deep-water port at Bagamoyo, 75 kilometres north of Tanzania's commercial capital Dar es Salaam. Many believe China's frustration over the uncertainty created by Tanzania's politicians must be growing.

Rumours and hints have recently been circulating that the President had scrapped the US\$10 billion project, which officially began in 2013 during a state visit by China's President **Xi Jinping**.

Intended as a key element in China's Belt and Road Initiative, preliminary work on the project started in 2015 under Magufuli's predecessor, **Jakaya Kikwete** (AAC Vol 6 No 9). Yet very little progress has been made, and some question whether it will ever be built.

The initial agreement was a tripartite deal for loan and construction between the government, China Merchants Holding International (CMHI) and the Omani State General Reserve Fund (SGRF).

The proposal to construct the port and develop a special economic zone has long been contentious. The original idea was to relieve the notorious congestion at Dar, where in pre-Covid times dozens of ships could be seen waiting for weeks offshore for space at the congested dock. Bagamoyo is planned to handle 20 times more cargo than Dar es Salaam, and it would be the outlet for new manufacturing facilities set up in a 1,700 hectare special export processing zone.

Such are the delays that sources reported to *Africa Confidential* that the Omani SGRF, whose interest in Tanzania is partly commercial but largely driven by a desire for prestige projects to help Oman's image, has been told by its government to find other symbolic projects to invest in as signs of bilateral goodwill.

Those close to the project predict that the rumours of the port's demise is just another round of posturing in an election year. This also took place in 2016 when officials from the Ministry of Works, Transport and Communications announced that the planned port was on hold as the government focused its attention on an upgrade of the Dar es Salaam port and the development of Mtwara port (back when enthusiasm for the proposed Liquefied Natural Gas project was still buoyant).

In 2019 rumours again surfaced that the project had been called off – this time not because of alternative infrastructure projects, but over what the government considered were harsh conditions attached to the Chinese investment.

It was widely reported then that the government had sent a list of demands to CMHI that included the removal of tax holidays, removal of special operating rights and a reduction in the lease period. China's expansion via the Belt and Road Initiative has been noted for its strongarm tactics, and concessions regarding the lease period were successfully re-negotiated by the Tanzanian government.

China took ownership of the **Sri Lankan** port of Hambantota, whose development China financed, after the country defaulted on debt repayments, a lesson not lost of African countries planning similar schemes (AC Vol 60 No 7).

Trade is now down thanks to the pandemic and the idea of a Tanzanian mega-port exporting around the world may have had its day. Plans for the port at Mtwara may also suffer the same fate (AC Vol 61 No 9). ●

by **Nigeria's** United Bank for Africa and Tanzania's CRDB Bank – directly to the Tanzanian government. In April 2019, the government made an initial payment of \$310m to the contractors to get construction under way. It claims to have spent \$522m to date.

Further grave risks to the dam's economic viability include declining water volumes and siltation in the Rufiji River and its main tributaries, the Kilombero and the Great Ruaha, resulting from sugar cane growing and paddy field irrigation. Since the 1990s, the Ruaha virtually stops flowing during the dry season and wetlands have dried up. In effect, the Rufiji will be the only river filling the reservoir of the proposed dam. Also, experts warn that climate change is already having a hefty impact on hydropower generation because of more erratic rainfall and increasingly severe droughts.

The most passionate opposition to the dam has come from international conservationists, among them UNESCO's World Heritage Centre (WHC), the International Union for Conservation of Nature (IUCN) and the World Wide Fund for Nature (WWF). These and numerous other organisations argue that the dam would do irrevocable harm to two protected areas: the Selous Game Reserve – until

recently the world's largest, at 50,000 square kilometres – and the Rufiji-Mafia-Kilwa Marine Ramsar Site, which is downstream from the proposed dam. Conservationists claim that damming the Rufiji will adversely affect the livelihoods of 200,000 farmers and fisherfolk downstream and threaten the mangroves and fish hatcheries in the huge Rufiji delta.

The Selous World Heritage Site was put on UNESCO's danger list in 2014, after rampant poaching which led to elephant numbers plummeting from a maximum of 100,000 to 13,000 in 2013 (AC Vol 55 No 4). According to the 2018 aerial survey, the elephant numbers had stabilised at just over 15,000, more or less the number counted in 2014, suggesting little or no recovery. Other species, including wildebeest, have also declined sharply.

In addition, oil, gas and uranium exploration, and human encroachment are threatening the integrity of the reserve, which lost most of its acreage with the excision of the 30,000-square-kilometre Nyerere National Park in November last year. This vastly reduced the area left for hunting tourism, which President Magufuli views as an activity that brings little benefit to the country, but which some argue helps wildlife conservation.

The credibility of Tanzania's commitment to conservation was badly dented when, last December, 17 logging companies were issued licences to clear-fell 90,000 hectares of the dam's theoretical reservoir, containing an estimated 2.6 million trees. When the loggers arrived, one luxury lodge announced it would close.

For the moment, only the dam site has been cleared of trees. Journalists are not allowed into the area to report what is going on, though the government says the dam is 10% complete.

THREAT

Local commentary has been limited since **Kangi Lugola**, Deputy Minister in the Vice-President's Office, speaking during a parliamentary debate in May 2018, threatened politicians criticising the proposed dam with imprisonment. (Lugola was promoted to Minister for Home Affairs but dismissed in January this year for allegedly overseeing a 1 trillion shilling [\$453m] procurement scandal.)

Tanzanian environmental and conservation NGOs have been reluctant to criticise the project for fear of falling foul of recent anti-NGO laws. They could be branded as mouthpieces of foreign governments bent on halting the industrialisation drive. No local



economists or opinion leaders have questioned the rationale for the dam's construction. Donor agencies, including German ones, are also silent. Historically, Germany, which ruled the country until 1918, has been Tanzania's most prominent supporter of wildlife conservation. For many years, German aid has funded anti-poaching activities in Selous involving, inter alia, the Frankfurt Zoological Society.

In a debate in the Bundestag early last year, legislators questioned why the German government continued to support Tanzania's conservation policies when it was clear that the aid was having little or no impact.

A number of German experts have resigned in frustration, including a conservationist who was often denied access to his worksite.

The WHC and IUCN have framed the Tanzanian government's handling of the damming of the Rufiji as a betrayal of its international conservation commitments. A belated environmental impact assessment produced by the University of Dar es Salaam's Institute of Resource Assessment in May 2018 was largely qualitative and was accused of failing to address any of the wider environmental risks.

In response to the WHC's detailed critique of the project, the government

claimed that the dam would 'cause insignificant effects on the ecosystem'. The official line is that 'only 3%' of the Selous will be affected by the project.

Though mega-dams have received a bad press in recent years in response to human rights and environmental concerns, Tanzania has joined various countries – including Brazil, China, Ethiopia and Pakistan – in committing to large hydro projects. Although no large population displacements are involved in the Stiegler's Gorge project, the potential impact on the environment and wildlife has mobilised international concern and condemnation.

WILDLIFE STRESS

Wildlife tourism is one of Tanzania's main foreign exchange earners and creators of employment, but the sector is under growing stress from population growth, poaching, encroachment and other factors. The government's move in November to de-gazette nearly 300,000 hectares of game and forest reserves for use by landless citizens, and a recent decision to legalise the bush meat trade, suggest that conservation is an increasingly secondary consideration in Magufuli's political calculus. However, even if the project goes according to plan it is unlikely to be commissioned before 2025, when his second and final term ends (AC Vol 61 No 1). ●

CÔTE D'IVOIRE

Crisis summit

A deadly attack on Côte d'Ivoire focused the attention of President Macron and regional leaders in Nouakchott

The regional summit in the Mauritanian capital on 30 June started with a note of collective self-congratulation as President Mohamed Ould Ghazouani spoke of reinforcements for Operation Barkhane and a more coherent command structure for the regional G5 Sahel security force. Reality quickly crept in with Ghazouani admitting that none of this was enough to turn the tide against the jihadist insurgents that are pressing southwards from the heart of the Sahel. The deadly attack at the Kafolo border post in Côte d'Ivoire in June was high on the agenda.

At least 600 civilians have been killed by insurgent attacks in Burkina Faso, Mali and Niger alone since the beginning of the year, according to the Armed Conflict Location & Event Data

Project, which monitors conflicts. The Islamist insurgents – some loyal to Al Qaida, others to Islamic State (*Da'ish*) – are intensifying their campaign, often financed from illicit gold-mining and financial levies on communities.

France's President Emmanuel Macron and Spain's Prime Minister Pedro Sánchez each made their first post-lockdown foreign trips to the summit along with African Union Chairman Moussa Faki Mahamat to join regional presidents: Burkina Faso's Roch Marc Christian Kaboré; Chad's Idris Déby Itno; Mali's Ibrahim Boubacar Keïta; Niger's Mahamadou Issoufou; Mauritania's Ghazouani. The summit heard about the African Union promise of 3,000 troops, US\$135 million from German Chancellor Angela Merkel (who joined by tele-

conference) and an offer of more equipment from the United States, which is still planning to reduce troop numbers in its base in Niger (AC Vol 61 No 6).

All that will reduce France's public role in the conflict, which has become more of a political liability for President Macron as casualties mount. In January he threatened to withdraw French troops as local opposition to their presence in the region grew. In Nouakchott he said 'victory is possible' but the rule of law had to return to the worst affected areas and impunity defeated to complement greater military efforts.

Now, the insurgents are edging towards coastal states, of which some such as Côte d'Ivoire have the closest ties with Paris. On 11 June, a group of insurgents killed 12 Ivorian security officers at the border post of Kafolo in the worst incident since the attack on the seaside resort of Grand Bassam in March 2016, when 19 died (AC Vol 57 No 6). The attackers in the latest incident disappeared into the Comoé National Park, with the Ivorian army in hot pursuit.

Côte d'Ivoire has steered clear

of the G5 security force and Sahel regional bodies, and the remit of *Operation Barkhane* does not extend there. But the Kafolo attack will have concentrated minds not only at Nouakchott but in also in **Ghana, Benin and Togo**.

The summit emphasised the importance of the new joint force, Takouba, which will use Special Forces from several European countries and is expected to start operations in the 'tri-border' area of Mali in the next couple of months (AC Vol 61 No 2).

The Ivorian operation against the latest attackers resulted in 27 arrests and the capture of some materiel but no proof was offered and the guerrillas are still thought to be at large on Ivorian soil.

RETALIATION

In the absence of a claim of responsibility from the jihadists speculation centred on the probability that they belonged to Mali's *Al Qaida*-affiliated *Jamaat Nusrat ul Islam wal Muslimin* (JNIM), which is led by **Iyad ag Ghali** (AC Vol 59 No 5). In late May Ivorian forces joined with the Burkina army for *Opération Comoé 2020*, in which eight presumed jihadists were killed and 38 arrested. The 11 June attack was assumed to be retaliation for that raid. The Comoé river marks the border between the two countries.

National parks, often designated as such because they are sparsely populated and of minimal economic value, have been fertile territory for outlaws in the region. The bandit **Amadé Ouérémi** spent years terrorising the inhabitants of Mont Péko National Park, in the remote west of Côte d'Ivoire, turning it into a fiefdom (AC Vol 53 No 9, & Vol 54 No 12). *Boko Haram* has long used Sambisa Forest, in **Nigeria's** Borno State, as a base. Typically, guerrilla-occupied national parks are emptied of any local game wardens or park guards while villagers are invited to dig for minerals and hunt for bushmeat.

Ivorian defence minister and caretaker premier **Hamed Bakayoko** claimed at a commemoration for the slain soldiers on 22 June that more arrests had been made including that of an unnamed 'leader'.

Two names have been circulating. One is that of **Dramane Sidibe**, also simply referred to as 'Hamza', a prominent lieutenant of **Amadou Koufa**, the imam who leads the *Front de libération du Macina* (FLM), which is part of JNIM (AC Vol 60 No 8). Reports in the Burkina media suggest Hamza was dispatched to the border to create a new katiba, or cell.

The other name doing the rounds is that of **Souleymane Keïta**, an experienced fighter who was with Ag Ghali's *Ansar Eddine*, part of JNIM, about whom there is much contradictory information. Some Ivorian media say he was responsible for Kafolo while others say he is in jail. Some said he was captured in Mali in 2016 and freed in a prisoner exchange. There are fears that a commander of his calibre could bring together a motley group of former *Forces Nouvelles* (FN) fighters, roadside bandits and the other armed opportunists who have turned the north of Côte d'Ivoire into a lawless zone.

Other reports suggest, however, Keïta may be in prison in Bamako, perhaps waiting to be swapped for Mali's opposition leader **Soumaïla Cissé**, who was abducted while campaigning for election on 25 March and is now presumed to be a captive of JNIM (AC Vol 61 No 7).

The Ivorian political mainstream has been conspicuously silent on the Kafolo attack and political observers find President **Alassane Ouattara's** silence puzzling. However, it wasn't long before responsibility for the attack was being directed at former prime minister and parliamentary speaker **Guillaume Soro**, who's own fief, Ferkessédougou, is not far away.

Soro was peremptorily excluded from the presidential race late last year, when his plane was turned back from Abidjan airport. A dubiously swift conviction at a trial for corruption and a 20-year sentence soon followed (AC Vol 61 No 3). He is in exile in Paris.

The man who says Soro is responsible for Kafolo, a former FN colleague called **Soumaïla Doumbia**, aka Doumbia Major, is now close to the ruling *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP). He claims that Soro plans to re-occupy the north and force the government to allow him to stand in the presidential election.

A spokesperson for Soro ridiculed the allegation, sourly pointing out that while the Ivorian government needed no outside help to get rid of its most dangerous opponent (Soro), it was now begging France to help it dislodge a few jihadists.

RUCTIONS

The Kafolo attack has caused other ructions. **Abdoulaye Fofana**, a cashiered *Garde Républicaine* commander and former aide-de-camp to Soro, posted a 15-minute video on social media threatening an army revolt. He decried the aloof attitude of the president towards the stricken

military and warned the head of state, 'The army is watching you'. Sources in the presidential palace dismissed Fofana as 'a nobody'.

The accusations against Soro may carry little weight but they did succeed in throwing light on the weakness of the Ivorian armed forces (AC Vol 58 No 11.). During *Opération Comoé 2020* Ivorian officials tipped off villagers about troop movements which allowed the jihadists to flee, much to the displeasure of the Burkinabè forces, according to both Ivorian and French media. There is mistrust enough between the two countries already without incidents like this causing more.

'PHOTOCOPIE' FIGHT

During *Opération Comoé 2020*, heavy fighting was reported in villages near the town of Kong, the family home of the Ouattaras, where the president's younger brother **Birahima Ouattara** (nicknamed 'Photocopie' because of his physical similarity to his brother) holds undisputed sway (AC Vol 58 No 3). In the midst of the fighting the Kong gendarme commander, **Bamba Daouda**, was arrested and sent to Abidjan on suspicion of leaking information to the jihadists.

Birahima Ouattara is also the national coordinator of the country's intelligence services and will be expected to play an important role in the efforts to roll back the jihadist threat, attaining tangible results preferably before his elder brother leaves office.

On top of the insurgency edging southwards, there are worries of more political turmoil if the succession of Prime Minister **Amadou Gon Coulibaly** to the presidency in October's elections doesn't take place. He has been in Paris having a stent fitted to his transplanted heart (AC Vol 61 No 12).

With President Ouattara silent and doubts hanging over the health of his anointed successor, this could be Bakayoko's time. He impressed with his statesmanlike words at the obsequies of the soldiers on 22 June. But he too has been accused of links to the Kafolo attack although few give this any credence. Bakayoko's foes say his bitter disappointment at being passed over as Ouattara's successor have made him desperate.

And such accusations have been gaining traction in social media. Last month **Canadian** online media Vice reported that Bakayoko had links to the cocaine trade in West Africa. He has denied all wrongdoing and says he is taking legal action against Vice. ●

POINTERS

Tanzania

MEDIA DENIED OXYGEN

■ The government campaign against press freedom has gone into overdrive during the coronavirus pandemic. The most recent outlet to fall foul of the country's increasingly harsh censorship of the press is Kwanza online tv, suspended by the regulators for 11 months for 'unbalanced' coverage of the pandemic.

In late June daily newspaper *Tanzania Daima* had its licence revoked for 'violating ethics', although no specific allegations were levelled at the paper, which is owned by the family of **Freeman Mbowe**. Mbowe is chairman of opposition party *Chama cha Demokrasia na Maendeleo*. He was beaten up by three men on 8 June in what Chadema called a 'politically motivated attack' (AC Vol 58 No 9).

Earlier this year the online licence of leading Swahili newspaper *Mwananchi* was suspended. The six-month suspension and fine of 5 million shillings (\$2,200) follows the paper posting pictures of Magufuli shopping in a busy marketplace in his hometown of Chato, seemingly oblivious to the social distancing that his government was belatedly trying to promote.

The government claims that the picture of Magufuli is old, and the publication is accused of posting misleading information (AC Vol 61 No 1 & Vol 60 No 15).

Star Media Tanzania and Azam Digital Broadcast have been fined and made to apologise for their Covid-19 reporting. Individual journalists have also been targeted, with the government suspending those whose reporting of the pandemic departs from the government script, particularly around the reporting of case numbers.

A student was also arrested for allegedly publishing misleading statistics concerning the number of coronavirus cases on a WhatsApp group.

Libya

LOBBYING GRENADES

■ General **Khalifa Haftar** may be in retreat on the battlefield after his Libyan National Army was forced away from Tripoli back to its eastern strongholds but the war for the support of foreign governments for both sides of the conflict is growing more intense (AC Vol 61 No 12).

Much of it has been waged in the **United States**, where Mercury Public Affairs has a US\$2 million contract to promote the cause of Libya's Government of National Accord. It also has contracts worth \$1m each with the Turkish-US Business Council and the **Turkish** embassy in Washington DC, which is convenient since Ankara has been

supplying the GNA with the firepower that has cost Haftar's forces so dear.

Not to be outdone, the LNA has a \$2m a year contract with Texas-based lobby shop Linden Government Solutions via the 'Decision Support Center of Libya'.

But there is action also in Brussels, where European media received a missive from lobby firm Project Associates on behalf of **Italian** ex-foreign minister **Franco Frattini** accusing Ankara of supporting 'the patchwork of Islamists, jihadists and organised criminals propping up the GNA in Tripoli'.

Frattini's would-be op-ed landed on news editors' desks ahead of an EU Foreign Ministers meeting on 13 July on Libya. **France** and **Greece** are expected to push for sanctions against Turkey, ostensibly for breaching the UN arms embargo, though France is widely accused of covertly funding Haftar (AC Vol 61 No 2). France has withdrawn naval cooperation with Turkey in the context of NATO.

The enmity between Paris and Athens and GNA Prime Minister **Faiez el Serraj** is well known, but the ferocity of Frattini's language came as a surprise. Italy has sat on the fence during most of the civil war, fearing that if Haftar prevailed, Italian companies would find themselves excluded from future energy projects in favour of French firms.

Algeria

RESHUFFLES AND RELEASES

■ There was something for everyone to celebrate on Independence Day, 5 July, as President **Abdelmajid Tebboune** named 74-year-old Major General **Saïd Chengriha** as his permanent Chief of Staff (AC Vol 61 No 13).

Pointing to a longer-term *Armée Nationale Populaire* leadership structure, Republican Guard Commander **Benali Benali** was promoted to the ANP's highest rank, *général de corps d'armée*, along with Chengriha.

For the opposition *El Hirak* (the movement), there was relief that after nearly ten months in prison one of its most familiar faces, **Karim Tabbou**, was released on 2 July (AC Vol 61 No 2). Another prominent *Hiraki*, **Amira Bouraoui**, followed through the gates.

The same day, Tebboune met opposition *Jil Jadid* party leader **Sofiane Djilali**, who has taken a risk by giving the president and his new constitution a sympathetic hearing, which many call a sell-out (AC Vol 60 No 22). The critical question, as the top brass lined up for 5 July: are Tebboune and Chengriha preparing to do a deal with *Hirak*? The answer is probably not.

Prime Minister **Abdelaziz Djerrad's** reshuffled government maintains senior ministers in key posts, including controversial and combative Justice

Minister **Belkacem Zeghmati**. The most notable changes split the energy ministry in two, bringing in Sonatrach veteran **Abdelmajid Attar** as petroleum minister and creating a new Ministry of Renewable Energy and Energy Transition under former higher education minister Professor **Chems-Eddine Chitour**. Former minister **Mohammed Arkab** takes on a new mines ministry, whose major iron ore and phosphate projects could lead to new tensions with neighbour **Morocco**.

Finance minister **Abderrahmane Raouya** has been replaced by *Banque d'Algérie* (central bank) governor **Aymen Abderrahmane**.

São Tomé e Príncipe

THE TEMPORARY CONSUL

■ São Tomé and Príncipe has cancelled the appointment of the controversial **Chad-born French** businessman **Vincent Miclet** as honorary consul in Marrakech, **Morocco**, after it emerged he had been named without the approval of Prime Minister **Jorge Bom Jesus**.

On 1 July, the **Angolan** news portal Club-K revealed São Tomé foreign minister **Elsa Pinto's** naming of Miclet to represent her country and promote business opportunities in the kingdom. Miclet has been a highly controversial figure in Angola, a wealthy businessman who openly told *Le Monde* journalists about paying bribes in Africa and taking 30% commission on contracts.

Miclet, who has business interests in several African countries and travels on a Benin diplomatic passport, is said to have made part of his wealth in Angola, where he managed a company called 5M from 2010 to 2012 and *Nova Distribuidora Alimentar e Diversos* (NDAD), which was linked to Angolan generals, during the presidency of **José Eduardo dos Santos**.

After falling out with his Angolan business partners, who claimed he had cheated them out of \$400 million, Miclet moved to Morocco. Since 1996, when São Tomé withdrew its recognition of the Sahrawi Arab Democratic Republic, Morocco has become one of São Tomé's principal African donors. In January, Rabat's foreign minister **Nasser Bourita** praised Pinto for supporting Morocco's territorial integrity by opening a consulate in Laayoune in the disputed territory (AC Vol 59 No 11).

One of Pinto's predecessors, **Maria da Graça Amorim**, who formally recognised the SADR in 1978, publicly blamed Pinto for pursuing 'chequebook diplomacy' in opening the consulate in Laayoune. Then, the government defended Pinto's 'economic diplomacy' as a realistic option for an impoverished country but has now suspended Miclet's appointment on 3 July under the weight of the controversy. Pinto may yet face the sack.

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BLUE LINES

The prospects of the mass protests against grand corruption and economic mismanagement planned for 31 July triggering a popular uprising against Emmerson Mnangagwa's government are slim but not beyond the bounds of possibility. That is why on 20 July police arrested activist Jacob Ngarivhume, an organiser of the planned protest, and Hopewell Chin'ono, whose relentless investigative journalism last month exposed the involvement of state officials in siphoning off funds from over-priced medical equipment procurement. Both have been charged with promoting public violence. And then on 21 July, Mnangagwa announced a night curfew and fresh restrictions on movement, citing the coronavirus. Over 105,000 people have been arrested since March for violating regulations introduced ostensibly to stop the virus.

Social media has been buzzing with reports that some military officers, incensed by government graft and deepening hardship, are ready to turn against the regime.

A badly choreographed news conference last month dismissing any such threat raised opposition hopes further. Weeks later, Army Commander General Valerio Sibanda criticised politicians for betraying the liberation struggle. Yet, top military officers have benefited far more from Mnangagwa's regime than that of his predecessor Robert Mugabe. The key question is how far down the military hierarchy the largesse reaches. And for how much longer can the regime continue to buy the loyalty of the junior ranks.

ETHIOPIA

Oromia cracks open again

The murder of a musician-turned-activist and harsh repression has reignited tensions in the Prime Minister's restive back yard

Oromo nationalists had hoped that Prime Minister **Abiy Ahmed's** administration would address their demands after thousands of activists lost their lives in protests that paved the way for his premiership in early 2018.

That hope of seeing Abiy meet their concerns – such as a greater Oromo say in governing the federal capital, Addis Ababa, and for the Oromo language to have equal status to Amharic within the federation – has all but evaporated.

Now, in their eyes, his government is employing the same method his predecessors used to silence Ethiopia's most-populous ethnicity that has long-complained of being treated as second-class citizens by Ethiopia's state: internet blackouts, use of lethal force, arrests of Oromo leaders, and dubious legal measures.

Although Abiy won international praise for revising an anti-terrorism law, he has implemented another controversial legal device, the Hate Speech and Disinformation Prevention Proclamation. So far, only one journalist may face charges under the new legislation, but the threat is there for all to see. Abiy was also criticised by activists for using a constitutional interpretation process to extend the federal and regional government's terms in office citing the Covid-19 pandemic. Oromo and other ethnic-based political parties opposed the move. Elections due in August were postponed.

The government insists it has been tolerant in the face of extreme provocation by politicians seeking to stoke ethnic

tensions and that its recent actions were necessary to restore the rule of law. Given these clashing versions of events, Ethiopia's long cycle of violence is set to continue.

COLLISION COURSE

Abiy's administration, showing no sign of a rethink, is on a collision course with Tigray over the plan by the ruling party there, the Tigray People's Liberation Front, to defy federal authority and hold regional elections on its own timetable. The Federal Government also faces serious challenges in the Southern Nations, Amhara, and Somali regions.

But the biggest problem is in Oromia, where the ruling elite is split between Oromo nationalists and more centralist Oromo leaders who support Abiy. This month, the Prime Minister deployed security forces across Oromia to quell protests after the murder of **Hachalu Hundessa**, a top Oromo musician, on 29 May. Over 200 people were killed, including many Amhara, and buildings destroyed, some in Jimma, Abiy's birthplace.

Before this latest bout of ethnic violence, federal and regional forces were cracking down on Oromo civilians suspected of being opposition supporters. These operations targeted the south and west of the region, areas believed to be strongholds of the Oromo Liberation Front and the Oromo Liberation Army (OLA) – a rebel group that split from the OLF after a failed attempt to integrate it into regional security forces last year.

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Support for Abiy's administration in Oromia has faded, especially after the decision to postpone the elections.

There is a strong ideological basis to the opposition. Abiy is seen as backing a unitary system, drifting away from the doctrine of ethnic federalism that has been dominant in government, at least in principle, since 1991.

The approach of the new Prosperity Party, established by Aby, is thought by many Oromo nationalists to be the beginning of an attempt to undo the principles of ethnic federalism. It is those principles that Oromo nationalists see as key to achieving genuine regional autonomy after decades of perceived marginalisation.

They claim that Abiy, born in

Oromia, and his Amhara allies are trying to reinstate elements of the imperial system when northern settlers dominated Oromo and southern communities as landlords and administrators. Such allegations are explicitly denied by the Prime Minister's Office, describing them as 'false and dangerous' propaganda in a recent statement.

It's not only the federal government whose actions dismay Oromo nationalists. Oromia's regional government has established a wing of its police called the Oromia Special Force and trained tens of thousands of recruits over the last year. This Special Force, along with federal security agents and local police, has intensified its repression of civilians by killing, arresting and intimidating locals suspected of links with the OLF, the Oromo Federalist Congress, and the rebel OLA.

ASSASSINATION

Before his murder on 29 June, Hachalu, the Oromo musician known for his resistance and songs about the region's claims to Addis Ababa, seemed to have joined the campaign against Abiy's

administration (AC Vol 61 No 14). He accused Abiy of heading in the same direction as Emperor **Menelik II**, who conquered Oromo and other southern territories in the late 19th century, in a television interview aired a week before his assassination. Hachalu was speaking on the Oromia Media Network founded by activist **Jawar Mohammed** (AC Vol 60 No 22).

Following Hachalu's assassination, the Addis Ababa office of OMN was closed and its managers briefly arrested. As well as the detention of top leaders, around 5,000 people were arrested in Oromia and Addis Ababa. Hachalu had mentioned his respect for Jawar and Bekele in the interview with OMN.

At first, the government accused Jawar and Bekele of responsibility for Hachalu's death. It then blamed them for the unrest in Oromia, although that blew up after they were arrested. For good measure, Abiy and allies also blamed Tigray's leaders for stoking unrest; some even alleged that **Egyptian** agents may have been behind the federation's latest turmoil as nationalist tub-thumping over the Grand Ethiopian Renaissance Dam reaches new heights on all sides. ●

KENYA/WORLD TRADE ORGANISATION

A favourite for an impossible job

After several near misses in her search for a top international job, Amina Mohamed is a WTO front-runner. But what does she stand for?

Of all the candidates gunning for the helm of the World Trade Organisation, **Amina Mohamed** probably ranks as the best prepared for the contest. Along with the rival campaign of **Nigeria's Ngozi Okonjo-Iweala** (AC Vol 61 No 14), Mohamed's bid for the director-general job at the WTO is reckoned to be the best chance for an African to head a major international organisation since **Ghana's Kofi Annan** became Secretary-General of the UN in 1997.

Having bounced back from her defeat for the African Union Commission chair in 2017 – a race which, much like this one, she was considered a strong favourite – Mohamed ticks all the boxes to be the WTO establishment's candidate, a point her supporters loudly tell outsiders (AC Vol 58 No 3). A veteran of Geneva's diplomatic scene, she served as Kenya's ambassador to the WTO between 2000 and 2006: at the height of African-led southern hemisphere defiance of a lopsided global free-trade regime.

She was at the heart of the tortuous negotiations that unsuccessfully sought to build a South-North consensus. She chaired the highest bodies of the WTO, including the General Council, the Dispute Settlement and the Trade Policy Review bodies, and coordinated several working Groups, such as the African Working Group and the African Group at the WTO's Human Rights Commission.

Her biggest diplomatic triumph was to come a decade later, when as Foreign and International Trade secretary in President **Uhuru Kenyatta's** government, she chaired the 10th WTO Ministerial in Nairobi in December, 2015.

It was the first time a woman and an African had taken such a role. Her supporters deem the Nairobi meeting an unqualified triumph both for the quality of its organisation and the conference's outcomes; less subjective observers would question that assessment, given the failure to address, let alone resolve, member

states' sticking points: the failure to get the rich North to give up its agricultural subsidies and the absence of discussion of the 'Doha Development Round' issues, including movement on TRIPs (trade-related investment in intellectual property) and multilateral investment regimes.

For Mohamed, however, it deepened the expectation that she was preparing for a stab at the director-general's role. Her influence within diplomatic circles and in the bureaucracy has grown steadily over four administrative cycles, starting with **Daniel arap Moi's** government, which first appointed her to the Geneva mission.

After five years away from Nairobi, she was appointed permanent secretary in the Ministry of Justice and Constitutional Affairs during the Grand Coalition era following the post-election crisis of early 2008.

In early 2017, when then AU chair, **Nkosazana Dlamini-Zuma**, announced that she would not stand for a second term, Kenya nominated Mohamed an hour before the deadline. It is unclear why Nairobi decided to throw its foreign minister's hat in the ring.

The Kenyatta administration had only recently scraped through its travails at the International Criminal Court, after racking up big diplomatic debts from its African peers, many of whom had stuck out their necks to

defend Kenya.

Furthermore, Mohamed's AU bid was a long shot: it was almost certain that the membership, especially the Francophones – still smarting from a bruising battle four years earlier when **Gabon's Jean Ping** had been narrowly defeated – would not entertain two consecutive Anglophone bids for the top AU post.

Nairobi, refusing to back Uganda's bid, spared no expense on Mohamed's behalf, and was left with a genuine if misplaced sense of wounded pride when Mohamed lost.

SPLIT VOTE

The circumstances around Kenya's WTO bid are markedly better for her, but plenty could go wrong given the contest is as much about not arousing animus among the most powerful states as winning the hearts and minds of the majority of the 164 members.

'I'm a little worried that Africa has put three candidates forward. There is a risk that they might split the vote and let a candidate come through the middle,' warns Geneva-based trade policy advisor, **Stuart Harbinson**.

Many would concur with Mohamed's claim about her suitability for the job. Others in Nairobi, familiar with Mohamed's working style, argue that she lacks gravitas.

Mohamed's advantage over Okonjo-Iweala is that she enjoys strong unambiguous backing from her government.

Abuja, we hear, is more invested in

Akinwunmi Adesina's re-election as African Development Bank President next month than supporting Okonjo-Iweala for the WTO job. Abuja's biggest help to Okonjo-Iweala so far was to substitute her for Nigeria's previous candidate and persuade **Benin** to pull out of the race.

Mohamed's real strength lies, we hear, in charming small, intimate groups and she is expected to pick up many votes on that basis. But there will be an unavoidable question: what does she stand for?

Nairobi has made few friends on the continent by recently opening negotiations with Washington on a bilateral free trade agreement. As the big brother within the East African Community and one of the original signatories to the Africa Continental Free Trade Area, the alacrity (and lack of consultation) with which Nairobi acquiesced to the **Donald Trump** administration's overtures smacks of opportunism. This could cost Mohamed regional support in the tough electoral soundings in September.

BIG POWER ENDORSEMENT

While Mohamed has stated that she is running on a platform of reform and renewal, those familiar with her from the old days in Geneva claim that her appeal will be for Big Power endorsement rather than winning over the African or southern hemisphere constituency.

'There were two kinds of senior African diplomats in Geneva. Those

who were interested in pushing African and southern hemisphere interests, and those who were in it for themselves,' says a retired African diplomat who served in the WTO.

'When you saw individuals gunning for seats and chairs, it was clear that they were not too interested in effectively representing their constituency's interests. I think you now understand where Amina stands.'

During her inaugural press conference in Geneva to launch her bid, Mohamed cited her ability to build consensus as her biggest strength (alongside her familiarity with the WTO's inner workings). After sitting in 'brains trust' sessions with **Nelson Ndirangu**, Kenya's veteran trade expert and chief negotiator at the WTO, Mohamed was described as 'comprehensively briefed' for the leadership hustings in Geneva in the week ending 25 July.

Few would question her track record and ability to master her brief. The doubters are those who want to see a political heavy-hitter to break the logjam at the WTO, a project that, given rising Beijing-Washington tensions, could be beyond the capacity of any of the candidates.

'Amina Mohamed is associated with recent successes at the WTO, chairing a 2015 round that was a fair success. She is well known and well liked. There is a reason that she's the current favourite,' said **David Tinline**, a former senior advisor to incumbent director-general **Roberto Azevedo**. ●

COVID-19

A dangerous wave

There are over 750,000 coronavirus cases in Africa and numbers continue to rise amid concerns that South Africa could prove a harbinger

As the World Health Organization (WHO) warns of rapidly rising Covid-19 caseloads in Africa, its top official for the continent says that poor and crowded urban areas in **South Africa** have become a hotspot for the disease.

Declared cases in South Africa now account for almost half of Africa's total, and about 60% of new cases. Johannesburg hospitals are seriously overstretched as the pandemic rips its way through the townships, with Nobel Peace Prize laureate Archbishop **Desmond Tutu** saying the inhabitants are 'like sitting ducks'.

The main concern in South Africa

and 30 other countries in sub-Saharan Africa is no longer about imported cases, but rapidly rising community transmission, Dr **Matshidiso Moeti**, Regional Director for Africa of the WHO, told *Africa Confidential* (AC Vol 61 No 8). Deaths have now reached nearly 15,000 in Africa, with cases doubling over the past month in 22 African countries.

In South Africa, Covid-19 has spread from wealthier areas, where the disease is reported to have been brought in by residents returning from European holidays, to the townships, where overcrowding is speeding transmission. It has spread from 'the

type of person who can go skiing in the Italian Alps', said Moeti, to the 'the lower socioeconomic areas'. The biggest urban areas – Johannesburg and Cape Town – and the Eastern and Western Cape regions are seeing a 'really rapid spread'.

Exacerbating matters is a testing bottleneck at the overwhelmed National Health Laboratory Service. This has put paid to government promises of an effective test and trace system, according to political scientist Professor **Steven Friedman** at the University of Johannesburg. He points out that **Senegal**, although far poorer, developed a \$1 test with a far quicker turnaround.

Africa's officially declared Covid-19 figures are still generally lower than many had feared, but Moeti says the lack of testing kits throughout Africa 'has led to some degree of underestimation of cases'.

A senior physician in Lagos reports that 'the situation has stabilised in the past week... But the public has not got

the message about social distancing, so we fear it will deteriorate further'. On 20 July, Nigeria confirmed 562 new cases.

Attention is now turning to the densely populated refugee camps in Africa, which is home to 26% of the world's refugees. The camps provide perfect territory for Covid-19, with physical distancing nigh impossible and poor access to clean water. Civil conflict in several countries is playing into the Covid-19 crisis, says the WHO: over 100 health facilities have been shut by clashes with jihadists in **Burkina Faso**, while in central and northern **Mali** health services have been paralysed by attacks.

In **Congo-Kinshasa's** northwestern Equateur province, fighting Covid-19 has been complicated by the country's 11th Ebola outbreak. As of 20 July, the confirmed cases of the haemorrhagic disease have surpassed the total number recorded during the province's last outbreak in 2018 (AC Vol 61 No 7).

On the economic front, United Nations Secretary-General **António Guterres** has attacked the G20's lack of financial support to poorer nations.

His remarks came as the UN requested \$10bn to deal with the pandemic and its aftershocks. According to UN aid chief **Mark Lowcock**, rich countries would need to invest less than 1% of the trillions they have invested in their own Covid-19 response to protect poorer countries from the more drastic effects of the virus.

Meanwhile, vaccine diplomacy continues to move up the agenda, as African nations seek to ensure that any vaccine would be affordable and accessible. An international consensus (excluding the **United States**) to seek 'rapid, fair and equitable access' to Covid-19 vaccines has come together through Geneva-based Gavi, the Vaccine Alliance (AC Vol 61 No 12). Under the Covid-19 Vaccines Global Access (Covax) scheme, 75 wealthy countries would finance the vaccines, and partner with up to 90 lower-income countries. Gavi says that this backing, along with private donations, should mean poor countries will avoid 'being pushed to the back of the queue'.

The International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), also in Geneva, has supported the initiative.

The industry no doubt recalls the difficult days of trying to defend its pricing and intellectual property rights over HIV/AIDS drugs in the 1990s. There will be no appetite to allow that debate to be reopened.

An early court skirmish in this pandemic involves US multinational Abbott Laboratories, which faces a multimillion-dollar lawsuit in South Africa over contract compliance with Covid-19 test kits. Centurion Law Group leads the case, alleging that Abbott 'wilfully undersupplied' African suppliers by ignoring orders made and paid for, and instead showed preference to later orders from non-African clients.

GENERIC DRUGS

The manufacturer of Covid-19 antiviral Remdesivir, Gilead Sciences, has agreed to work with companies in Asia and **India** to produce generic versions of the drug and make them available to poorer nations, said Moeti. She called this 'a major breakthrough'. At present, Remdesivir is priced at \$2,340 per patient for wealthier countries and nearly all its supply for at least the next two months has been snapped up by the US. ●

AFRICA DEBT/COVID-19

A state of disconnect

African treasuries are putting a positive spin on their own finances, but the message from the markets is grim. Something has to give

The message from African finance ministers is that while the overall picture facing the continent is bleak in the wake of the coronavirus pandemic, many economies are resilient enough to ride out the storm. The expansive optimism of East African finance ministers as they unveiled their budgets for 2020/21 has been repeated across much of the continent (AC Vol 61 No 13).

That is hard to square with the warnings from markets, grim economic forecasts and the lack of urgency at international level to provide adequate debt relief or emergency funding. The International Monetary Fund and World Bank forecast recessions of minus 2.8% and 3.2% respectively in sub-Saharan Africa (AC Vol 61 No 14). Yet few in government, business or the international system show signs of preparing for an approaching tsunami.

While the African Union's expert group and African finance ministers are seeking debt relief worth US\$44

billion as part of \$110bn of financing, few international organisations want to expand on the Group of Twenty's (G20) April offer to suspend bilateral debt repayments until the end of 2020 as part of a Debt Service Suspension Initiative (DSSI). Forty-two countries have applied for the programme, amounting to an estimated \$5.3bn of 2020 debt service to be deferred (AC Vol 61 No 9).

On 18 July, G20 Finance Ministers postponed a decision on extending the scope of the DSSI until October. They requested new aid and financing options from the IMF, which are likely to include easier access to Special Drawing Rights.

In their communique on 18 July, G20 ministers, whose countries about for about 80% of the world's gross domestic product, said they would 'consider a possible extension of the DSSI in the second half of 2020, taking into account the development of the Covid-19 pandemic situation and the

findings of a report from the IMF and the World Bank Group on the liquidity needs of eligible countries, which will be submitted to the G20 in advance of our meeting in October 2020'. That means no new initiatives until the autumn meetings of the Fund and World Bank.

Meanwhile, the AU's plan to set up a continent-wide special purpose vehicle to convert debt into longer-term instruments, has obtained little support. Although some have detected more G20 support for commercial lenders to offer concessions.

'The G20 Finance Ministers offered stronger language on private sector participation in debt-relief initiatives for poor countries,' said Jubilee USA executive chairman **Eric LeCompte**, one of few NGO leaders to sound a positive note on the meeting.

Yet discussions on private-sector debt restructuring have scarcely moved. The Africa Private Creditor Working Group (AfricaPCWG), which brings together 25 private creditors with more than \$9 trillion in assets under management, including Farallon Capital Europe, Aberdeen Asset Management, Amia Capital, Greylock Capital Management and Pharo Management, has suggested that any debt deal will be made on a case-by-case basis.

More sobering messages come from credit rating agencies, which are warning

that negotiating and restructuring sovereign debt will be classified as a default. They reckon that at least a handful of African states are likely to default within the next 12 months.

Fitch expects average budget deficits in Africa to reach 7.4% in 2020, from 4.9% in 2019. The result, combined with currency depreciation, will mean a 14% average increase in debt-to-GDP ratios this year which will, in turn, undermine creditworthiness in the absence of special arrangements. Debt-to-GDP ratios of 70% are likely to become 'the new normal' among African countries, say analysts, and sub-Saharan African government debt burdens are escalating at a faster pace than anywhere else in emerging markets.

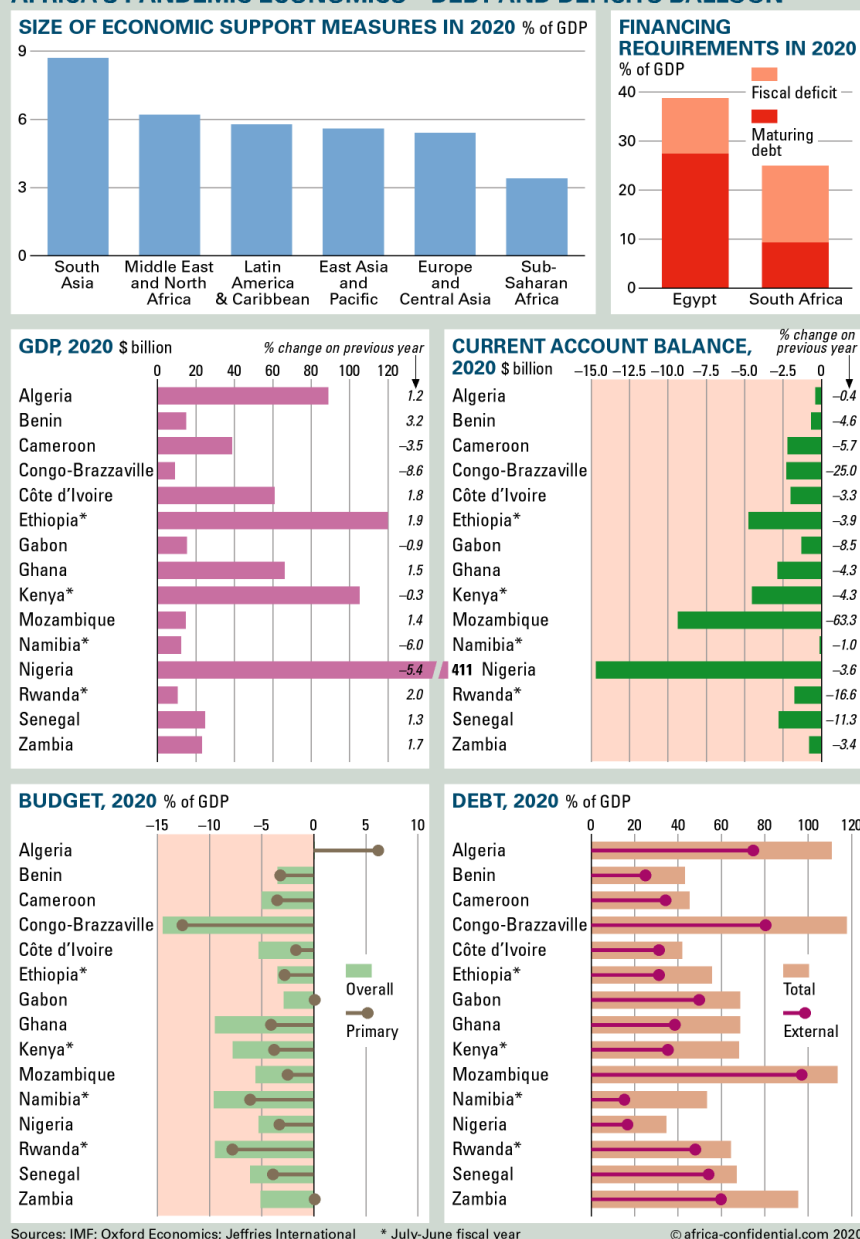
Fitch has downgraded seven of the 19 rated SSA sovereigns since March, and adds that four sovereigns in the region have 'Negative Outlooks' on their rating, which is unusually high.

Rival ratings agency Moody's, meanwhile, has put **Ethiopia**, **Cameroon**, **Senegal** and **Côte d'Ivoire** on review after the countries opted into the DSSI, prompting a frustrated reaction from the United Nations' Department of Economic and Social Affairs, which said that the DSSI scheme 'should improve countries' debt sustainability, and therefore should not be a basis for credit downgrades'.

'Borrowing countries should come out of the programme with stronger credit than if they had not participated,' DESA added.

Fitch has taken a less hawkish view and says that since its Issuer Default Ratings (IDRs) only refer to defaults on commercial debt, participation would not constitute a default. While a broader private-sector moratorium could qualify as a default, says Fitch, this does not

AFRICA'S PANDEMIC ECONOMICS – DEBT AND DEFICITS BALLOON



LITTLE ROOM TO MANOEUVRE

International efforts to alleviate Africa's debt burden, whether assisted by the Group of Twenty, International Monetary Fund, targeted bilateral negotiations or otherwise, continue to fall short of requirements. The almost US\$10.6 billion in IMF emergency financing approved to date for sub-Saharan African countries is accompanied by approximately \$200 million in IMF 'catastrophe containment and relief trust' debt service relief, over \$9bn IMF emergency financing for **Egypt**, **Tunisia** and other non-SSA economies, additional financing from the World Bank, African Development Bank and other sources, and the G20 Debt Service Suspension Initiative (DSSI).

Yet this still leaves SSA with an estimated \$44bn financing shortfall this year, out of an overall \$110bn estimated financing need. Some countries, including **South Africa** and **Nigeria**, in theory have access to substantial domestic financing, albeit at high cost compared to concessional borrowing, yet others will have no such recourse.

Despite recent reductions in credit spreads on African Eurobond debt since March and April spikes, capital outflows remain a problem and risk. Facing a possible default on its outstanding Eurobonds, **Zambia's** negotiations with commercial creditors are likely to be complicated and protracted, much like negotiations with major lender **China**, though Beijing's recent announcement of its participation in the G20 DSSI, and suggestion it will write-off the modest interest-free portion of Africa's China debts, could indicate some willingness to make future concessions even if at a price. Eurobond and commercial debt negotiations, whether by Zambia or other African debtors, will continue to be watched carefully by sceptical ratings agencies.

Although Africa's debts and fiscal deficits are set to rise significantly this year, these increases are likely – on average – to be modest as a proportion of GDP in comparison with debt and deficit hikes in advanced economies, which are on schedule to register significantly greater increases than during the global financial crisis. This comparison partly reflects the modest fiscal space most African economies have at their disposal, which is significantly more limited than during the 2007-08 financial crisis. ●

seem sufficiently likely to affect credit ratings.

However, this inconsistency is certain to encourage further concern among African finance ministers about the implications of the DSSI and other potential debt-relief measures.

Kenyan finance minister **Ukur Yatani** has already said his country would not seek a suspension of debt payments because the terms of the deal were too restrictive, and that debt relief could hurt his country's credit rating. **Nigeria** and **Togo** have also indicated that they will not use the DSSI.

This feeds into a lively debate about the risks and rewards of African borrowers restructuring debt. Bankers argue that longer-term arrangements could undermine market access for African governments and companies and will hold back the development of capital markets there.

Kenya and Côte d'Ivoire are still planning to issue Eurobonds before the end of 2020.

The IMF's emergency funding mechanism will not come close to plugging the gap. However, the funds required by African countries are, in relative terms, small. Compared to other regions, the stimulus measures made by sub-Saharan African governments are, at 3.4% of GDP on average, easily the lowest in the world. In comparison, Latin American states have spent just under 6% of GDP on stimulus budgets to counter the pandemic.

Without debt relief, or budgetary austerity (and the latter appears to have been ruled out partly because of the damage it will do to private businesses), bankers warn that countries such as **Zambia**, **Zimbabwe** and **Sudan** will face deeper debt repayment problems.

Adam Wolfe of Absolute Strategy Research, reckons that **Egypt**, **Zambia**

and **Ghana** are most vulnerable to debt distress, while large economies such as **South Africa** and **Nigeria** also face elevated levels of risk.

While **Nigeria** is among several sovereigns to have shied away from issuing new Eurobonds this year after seeing a spike in interest rates, those that do go to market later this year might be timing it well. With budget deficits set to widen dramatically, and little sign from African treasuries that tax rises and spending cuts will be made to rein them in, the bond market is unlikely to be any more generous in a year or 18 months.

More likely is that without a 'V-shaped' recovery – which looks increasingly unlikely – many countries' public finances will be looking over the edge of the precipice in a year's time. In the meantime, the disconnect between hard economic data and ministerial rhetoric is getting wider. ●

CENTRAL AFRICAN REPUBLIC

Clash of the leaders

Ex-President Bozizé and current President Touadéra seem set on a collision course while elections are in the balance

Allegations of fraud, bribery and mobilising for a *coup d'état* are flying in all directions in Bangui as the political parties and their sponsors consider elections due to take place by the end of the year. President **Faustin-Archange Touadéra** failed to win an extension to his term and since then has tried to control the local political process with the same aim in mind. A lot of money has changed hands.

In May and June, the big news was that **François Bozizé**, president from 2003 until the *Séléka* alliance invasion of 2013, and **Karim Meckassoua**, a former minister and the parliamentary Speaker between 2016 and 2018, were preparing a coup along with General **Ludovic Ngaifei**, head of the *Forces Armées Centrafricaines* (FACA, the national army) from 2016 to 2018 (AC Vol 54 No 7). More interesting than the ineffectual plotting itself was why the rumour was spread. Its popularity was helped by the fact that President **Denis Sassou-Nguesso**, after the intervention of Touadéra, summoned Meckassoua and Bozizé to his home village of Oyo to hear what they had to say about it.

All three alleged plotters occupy different spaces in the CAR political landscape but all are foes of the current President. Meckassoua was dismissed

from his position as Speaker of parliament after a concerted campaign by **Russians** working with Touadéra supporters. This was because they saw him as acting for **France**, which is unlikely because it was the French external intelligence service in Bangui that reported three years ago that Meckassoua had been plotting to take power. Three **Chadians** linked to that plot were arrested and remain in jail without having been tried.

Meckassoua is a skilled and well-connected political operator and dangerous to Touadéra's policies. That is why Touadéra supporters always try to link him to *Séléka* factions – which in fact fought against him – and cultivate prejudice against him as a Muslim.

PROVOCATION

Bozizé returned to Bangui in December 2019. Twice, in late March and early April, military and police operations were staged close to his house in Bangui in efforts many observers believe were intended to goad him into a response and lead the UN peacekeepers of the *Mission multidimensionnelle intégrée des Nations Unies pour la stabilisation en République centrafricaine* (Minusca) to intervene and arrest him.

The former president's presence in the country is inconvenient to Touadéra,

despite the large sums of money that are being spent to bolster the latter's position. Bozizé's former political party, the *Kwa Na Kwa* (KNK), supplied most of the cadres for Touadéra's *Mouvement des Coeurs Unis* (MCU) and the leaders of the *Anti-Balaka* militias who, outside Bangui, ensured Touadéra won the elections in 2016 (AC Vol 57 No 2). The enthusiastic support of four years ago will not be repeated and Touadéra hopes to force Bozizé's departure so he can take control of the KNK.

In early May, General Ngaifei advocated setting up a military council to rid the country of all militias before elections take place, but he is not thought the most likely coup plotter in the CAR military.

Although he is a close relative of Bozizé, and also of his Mbaya ethnicity, they have not been close in recent years and he refused to act as an *Anti-Balaka* leader when they burst on the scene in 2013. Although he is well-qualified as a senior army officer, having studied at the prestigious *Ecole de guerre* in Paris, he was not popular with the troops, which is said to be one of the reasons he was sacked in 2018. He would not be able to command enough support in the capital even to launch a coup, let alone to have it prevail against resistance from Minusca and a Russian bodyguard, and maybe even French troops.

There are plenty of other military threats to be concerned by. The Khartoum peace agreement between the militias is patchily implemented, including by the presidency itself, which maintains close relations with several militia leaders.

Suspensions are strong about the

Presidential Guard, a unit which has never been mentioned in any of the papers on CAR security sector reform and yet continues to grow strongly in size, while FACA is permitted to recruit no one because of Covid-19. The guard's

present strength is reckoned around 400, and it is amply equipped with vehicles and weapons of many types. Guard units are setting up roadblocks and taxing trucks and private cars. Some sources in Bangui believe it may

have been equipped by the Russians. Concern is growing that such a unit should be imposing itself on the capital at a time like this and apparently undermining security sector reform policies that are not delivering. ●

NIGERIA

Fight in the last chance saloon

After hearing the arguments, a London court is about to rule on whether Abuja can challenge a record-breaking US\$10 billion award against it

A substantial part of Nigeria's foreign financing strategy and the fortunes of a New York hedge fund, in partnership with an obscure entity registered in the British Virgin Islands, hang in the balance as a retired judge in London is due to rule on a decisive point in one of the world's biggest arbitration awards.

If the decision goes against Nigeria, its contractual dispute with Process & Industrial Development Ltd (P&ID) company, now part-owned by VR Capital, could cost it over US\$10 billion (AC Vol 61 No 11). The claimants are seeking to attach Nigeria's assets across the globe, raising questions in the money markets about the risks of Abuja issuing more sovereign bonds.

The protagonists in this dispute, which has dragged on for a decade, returned to the virtual commercial courts in London on 13-14 July as the government of President **Muhammadu Buhari** tried to overturn the gigantic award made by an arbitration tribunal

in favour of P&ID.

In 2010, P&ID, a special purpose vehicle set up in British Virgin Islands, company by veteran **Irish** contractors in Nigeria, secured a contract to build a gas-fired power plant and process excess gas in Cross Rivers state.

The contract went sour, with P&ID complaining the government had not released land for the facility or the promised gas. P&ID went to arbitration in London, where in 2017 it was awarded \$6.6 billion in damages – all of the theoretical profits the company might have made over the lifetime of the contract – and interest of 7% a day.

Nigeria is now asking for that award to be overturned, saying it has recently discovered evidence of fraud that proves the original deal with P&ID was corrupt from inception. P&ID questions that evidence, and the government's motives (AC Vol 61 No 3).

Sir **Ross Cranston**, a retired judge and former MP and Solicitor-General under **Tony Blair**, is set to rule 'in due

course' – more likely to be days than weeks, according to lawyers following proceedings – as to whether to uphold the 2017 award or to re-open the case.

Abubakar Malami, Nigeria's Attorney-General, embroiled in an escalating political scandal at home, argues that new evidence secured by the Economic and Financial Crimes Commission, Nigeria's principal anti-corruption agency, since September, and disclosures from US banks in March, show a pattern of improper payments linked to P&ID and key officials in and around government at the time of the original award. He also questions Nigeria's conduct of arbitration under President Buhari's predecessor, **Goodluck Jonathan**.

The key claims of corruption against P&ID include a \$50,000 cash payment to one official after a Chinese meal in Abuja, and a \$100,000 wire transfer to the daughter of the senior Minister of Petroleum Resources just before the 2010 contract was signed.

COMPLICITY CLAIM

Nigeria's counsel at the London hearing said Nigeria's original management of the case by **Supo Shasore**, a prominent Lagos lawyer and former Lagos State Attorney-General before the change of government, was so poor that he must have been complicit rather than inept. He also noted that **Seamus Andrew**, a

WHEN LAWYERS AND POLICE OFFICERS FALL OUT

Neither of the rival teams arguing over the status of the US\$10 billion award against Nigeria and in favour of P&ID raised the issue of **Ibrahim Magu**, who was suspended on 10 July as acting Chairman of the Economic & Financial Crimes Commission, Nigeria's main anti-corruption body. It was Magu's team at the EFCC that produced those claims of corruption and collusion between P&ID and Nigerian officials (AC Vol 58 No 15).

With a bizarre sense of timing, Malami announced that Magu, a former police officer, is being investigated into allegations of corruption and impropriety just three days before the London hearings started.

Political insiders say the timing of Malami's move against Magu reflects the competition for influence within the ruling All People's Congress ahead of the 2023 election. Specifically, rival factions have been trying to weaken party godfather and presidential contender **Ahmed Bola Tinubu**, seen as close to Magu (AC Vol 61 No 14).

At the same time, Magu's supporters and others have come up with allegations against Malami, formerly a lawyer to the family of military leader General **Sani Abacha**. Malami also acted for Buhari during his political wilderness years and failed challenges to electoral defeats in 2003, 2007 and 2011; he is widely regarded as untouchable, even by other close Buhari associates.

Presidential advisor on corruption **Itse Sagay** has accused of Malami of indifference towards the government's campaign for accountability. A prosecutor for the Special Presidential Investigation Panel for the Recovery of Public Properties was still more damning about what he said was Malami's selective approach towards the rule of law.

It might be fortunate for the Nigerian authorities that neither of the rival legal teams in London paid much attention to the arcane political fights in Abuja. In the longer term, the Magu-Malami rivalry will further weaken the Buhari government's claims of making headway in the fight against corruption. If Nigeria prevails in London, Malami's star is set to soar. But should the government lose its appeal against the award to P&ID and be pushed into an ignominious surrender, Malami's many foes may seize that opportunity to push again for his exit. ●

key official in P&ID, was a key player in an unrelated judgement award to secure a substantial pay-off for a contract that was not executed. Ratcheting up massive judgement debts for work on state projects has become a popular if contentious business model for some companies in West Africa, especially in Nigeria and Ghana.

P&ID dismissed the allegations, arguing that its payments to government officials and their associates was a display of generosity. **Ian Mill**, representing the BVI entity, which has no track record in construction or engineering, said that Nigeria's interest in finding evidence of corruption was triggered only by the court's decision last August to uphold the 2017 award, and was no more than the latest attempt by Nigeria to escape its obligations.

He sharply criticised Malami's conduct of the case since 2015, noting he had ordered an investigation into corruption only in 2018 and then had done nothing to pursue it for a year. He defended Mr Andrew as a man, he said, 'of the highest integrity'.

Nigeria said the issue of how and when the evidence of corruption arose was secondary to the core fact that there was now material evidence to suggest the original award had been based on perjury – P&ID had lied about \$40m it had spent on preparing for the project and about the financing it had in place, and then had bribed government officials first to support the project and then to help facilitate an arbitration award in favour of P&ID.

P&ID argues that Nigeria is out of time and failed earlier to use the corruption argument to challenge the award because the charges were baseless. It insists the company had the technical capacity and goodwill to deliver on the original contract and had explored all avenues first to make the project work and then to reach a settlement before engaging in arbitration in London.

UNUSUAL

It is highly unusual for final arbitration rulings in London to be overturned, although Nigeria argues that the

circumstances surrounding the P&ID case are nothing if not unusual.

If Cranston rules to re-open the case, both sides risk disclosures of further damaging allegations surrounding the award of the contract, the management of the negotiations and recourse to the international courts.

The elephant in the room in the two-day hearing in London was the undeclared parallel track by Malami and P&ID to reach an out-of-court settlement. One long-time observer of the saga believes there are those on both sides still ready to consider that option, notwithstanding President Buhari's apparent refusal to countenance such an outcome.

If Cranston upholds the arbitration verdict, Nigeria's options for a further challenge appear exhausted – ushering another costly and complex round of litigation trying to fight off asset seizures and collateral damage to the country's financial standing. The timing could hardly be worse as the country navigates its worst economic downturn for half a century. ●

NIGERIA

The shake-up that didn't happen

Plummeting prices prompted a radical plan to restructure the state oil company – then the vested interests fought back

Vice-President **Yemi Osinbajo** and several of the country's most senior ministers recommended hard-hitting reforms to rein in the sprawling and notoriously unaccountable state oil company earlier this year – only for the measures to be shelved, *Africa Confidential* can reveal.

The 25 March report was drawn up by a committee under the National Economic Council, which advises President **Muhammadu Buhari**, and aimed to curb the leakage of petrodollars amid economic devastation from Covid-19. The NEC urged the government to clip the wings of the Nigerian National Petroleum Corporation (NNPC) by preventing it from withholding billions of dollars from the state (AC Vol 61 No 10).

The NEC's Ad-Hoc Committee on Covid-19 was chaired by Osinbajo, and included the most powerful financial officials in the country: Minister of Finance **Zainab Ahmed**, budget minister **Clement Agba**, deputy oil minister **Timipre Sylva**, NNPC managing director **Mele Kyari** and Central Bank of Nigeria Governor

Godwin Emefiele. Also involved was **Adedoyin Salami**, the chairman of President Buhari's Economic Advisory Council as well as the state governors of Kaduna and Kebbi states, **Nasir el-Rufai** and **Atiku Bagudu**, both seen as contenders for the presidency in 2023.

For over a decade, plans for a comprehensive reform of Nigeria's oil and gas industry, known as the Petroleum Industry Bill, have been held up in the National Assembly and the Presidency by partisan political and commercial interests. A comprehensive reform bill is said to be ready for final approval but officials are yet to say when it will be sent back to the National Assembly. Reform-minded officials had hoped that the pandemic-induced revenue crunch would boost support for radical changes in the NNPC, prior to wider reform of the national industry.

Nigeria has been hit by the dramatic slide of oil prices to record lows, due to Covid-19 and the price war between **Russia** and **Saudi Arabia**. In April, prices for Nigerian oil fell below \$12 a barrel, well below the average \$22 a barrel production cost.

The World Bank is forecasting the economy will contract by 3.2% this year – a slump not seen since the 1980s. Nigeria depends on crude oil sales for more than half of government revenue and over 90% of export earnings. 'While oil revenues will decline due to the low oil price, some of the decline can be offset' by changing how the NNPC operates, said the report.

Successive government probes have focused on the system in which all Nigeria's oil is sold through private traders, such as **Vitol**, **Addax**, **Glencore** and **Trafigura** (all of which have been subject to international legal proceedings) without any independent accounting mechanism.

One of the key proposals of the NEC report was to abolish the 'domestic crude allocation', a historic and redundant arrangement that entitles the NNPC to purchase 445,000 barrels of oil every day effectively at a discount. The system was created to allow the state-owned company to supply Nigeria's four domestic oil refineries.

Back in 2012, the government's Petroleum Revenue Special Task Force reviewed that system and called for more information about **Calson**, a joint venture set up by **Vitol** and the NNPC to market the oil made available to the country's four refineries.

But the system survived, substantially unreformed. Because the refineries are in disrepair, barely operating, the NNPC can trade most of its allocation – about a quarter of

current national production. Much of that is bartered for refined products on the international market, often in opaque and expensive deals.

Ending the NNPC's crude allocation would be a means of 'minimising the loss of revenue to the Federation', the NEC report said. Despite being supposed to pay the market price for its allocation, in recent years the NNPC 'has been withholding' close to Naira1 trillion (US\$2.58billion) due to the government annually, blaming various expenses and losses, the report said. It stated that the barter deals are responsible for 'further obscuring' the amount that should reach the state (AC Vol 59 No 17).

Another important measure would have been the plan to cap what the NNPC can retain before remitting funds to the government. The state only 'receives an average of 30% of gross oil receipts from NNPC after deductions', according to the report – adding that the state's share last year was N1.1tn out of N3.7tn (\$2.8bn out of \$9.5bn, by the current exchange rate). Limiting the NNPC's deductions to a (still extremely high) maximum of 50% would 'dampen the shock of falling oil revenues', it said.

Also in the firing line were the NNPC's deep-water partnerships with giants such as Royal Dutch Shell, Exxon Mobil and Total. Having developed the assets at their own cost, the majors pump oil under production-sharing contracts with the state company.

The report advised the government to end the arrangement where the firms pay their taxes and royalties in kind, by transferring an equivalent amount of crude oil to the NNPC.

OIL REFORM - A TEST CASE FOR BUHARI

As radical reforms measures are shelved amid the country's deepening economic troubles, questions multiply about the organisation and leadership of the national Presidency in Abuja as top officials in the governing All Progressives' Congress tussle for position ahead of the 2023 elections.

There are less than three years for President **Muhammadu Buhari** to make progress on the policy agenda, pushed in his victorious campaigns in the 2015 and 2019 elections. His priorities all face formidable obstacles: boosting national security in the face of Islamist insurgents in the north-east, herder-farmer clashes in the middle belt and a resurgence of maritime piracy in the Niger Delta as well as the targeting of corruption and rebuilding of national agricultural and industrial production.

In the past quarter, Buhari's position has been further weakened by the loss of two of his closest collaborators. After the death of his chief of staff **Abba Kyari** in April, a central figure and workaholic on policy and process in the executive, another of Buhari's long-time associates, businessman and publisher **Ismaila Isa Funtua**, died on 20 July (AC Vol 61 No 9). Both Kyari and Funtua were part of Buhari's inner circle, along with his nephew and veteran journalist **Mamman Daura** and former foreign minister **Babagana Kingibe** (AC Vol 61 No 9).

The NNPC, headed by **Mele Kyari** for the past year, is trying to show it can reform itself and that it is serious about transparency. Its 2018 annual report was the first featuring audits of each subsidiary. Kyari also took advantage of the oil slump to eliminate fuel subsidies, a move that could save billions of dollars a year, if the decision is maintained when prices rise and political pressure builds up for reinstatement of the subsidy.

Recent developments suggest the fight over the NNPC's future role continues. Earlier this month, it announced that it would spend \$54m building hospitals in 12 Nigerian states, as well as investing in housing and power projects.

The measures are supposedly a response to the Covid-19 crisis and designed 'to cope with the boom and bust cycle' in the crude oil market. Kyari also said the NNPC would resuscitate its refineries by 2023, after they made a loss of N154bn in 2018 (about \$430m). This is despite the plans of **Aliko Dangote**, Africa's richest man, to launch operations at his 650,000 bpd refinery near Lagos next year.

Restructuring the NNPC, and the wider oil and gas industry in the country, is central to the Buhari government's avowed campaign against corruption. The free-fall in oil prices this year had given the government a political opening to push ahead with radical change. But for now, that is off the agenda again. ●

Instead, contributions should be paid out directly to the Federal Inland Revenue Service and the Ministry of Petroleum Resources, it said. 'Payment

in kind makes it easier for NNPC to withhold without detection amounts that should have been transferred to the Federation,' the report asserted.

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Buhari has staked his reputation on just these kind of reforms (AC Vol 61 No 12). He says he entered party politics in 2003 to tackle the corrupt status quo, and claims that vested interests in the oil industry have been blocking economic progress. But the NEC report never saw the light of day after being submitted in March.

It's a different story for the work of another group set up by Buhari, also to respond to the economic crisis caused by Covid-19 (AC Vol 61 No 9). On 24 June, Nigeria's cabinet approved a plan formulated by the Economic Sustainability Committee that mandated a N2.3trn stimulus and policies to promote domestic production.

The roadmap, entitled 'Bouncing

Back', purports to address the crash in oil prices but the critical recommendations of the earlier document targeting the NNPC are missing. In their place is vague guidance to 'safeguard oil revenues', which includes ensuring that the NNPC remits 100% of the taxes and royalties paid in kind by oil majors and pays 'commercial value' for crude.

SHELVED

It is unclear why the reform plan for the NNPC was shelved by late June. One reason could be that oil prices had rebounded more than predicted in March, when the market for crude was in the doldrums and Nigeria was struggling to sell its output, even at

heavy discounts. Nonetheless, Brent crude is still trading at only a little above \$40 and Nigeria only managed to raise 56% of projected revenue in the first five months of the year.

Another possible explanation could be the kind of vested interests that Buhari has railed against. Key economic officials such as Osinbajo, Ahmed, Agba, Sylva, Emefiele and Kyari were on both committees. But it is notable that state governors, worried about dwindling allocations from the federation account, were vocal backers of the bolder recommendations in March. Although governors sat on the NEC ad-hoc committee, they were far less involved with the weaker plan released in June. ●

SOMALIA

Ugly compromises

President Farmajo is pushing through a flawed electoral system and the fallout has led to demonstrators taking to the streets of the capital

The main response of the government to the crowds that have gathered to protest the new electoral law and the postponement of elections is to fire shots over their heads. Throughout July it has become increasingly clear – and the presidency then admitted – that the government was not going to change its mind about the electoral law governing the next election.

In early July 70 notables had signed 'Manifesto II', a declaration warning the Somali political elite and the international community that a new civil war could break out if President **Mohamed Abdullah Mohamed 'Farmajo's'** administration continued to refuse the possibility of compromise with opposition political parties and the devolved federal member states.

Central to the discontent is the status of elections and extending Farmajo's mandate. Parliamentary elections should be held before December 2020 and a new president elected by February 2021 (AC Vol 61 No 10). In May, the chair of the National Independent Electoral Commission (NIEC), **Halima Ismail Ibrahim**, was claiming that elections would go ahead on time. But in a speech to parliament on 27 June, her tone and advice changed dramatically. Now, there was no longer enough time, she claimed, even though all the obstacles had been known about for months. Nor could the incumbent president's term of office end on time.

The NIEC's proposals for the

elections earlier this year were so complicated that neither the upper nor lower houses of parliament would pass the electoral law. The NIEC claimed that electoral registration could take place on polling day, which would mean delaying elections for six months, but if registration were to be biometric it would take 18 months to two years and not 13 months as claimed earlier by NIEC.

After weeks of bargaining, a Joint Committee of MPs and Senators agreed in February on a new draft electoral law that could be passed quickly, even though it raised as many questions as it solved. In early June, the Upper House Chairman, **Abdi Hashi Abdullahi**, said that the draft needed the input of the federal member states, whose leaders have felt increasingly marginalised, and parliament should not go further without their input.

Farmajo thought he didn't need the Upper House endorsement, since he has a majority in the Lower House. Accordingly, he pushed forward. On 21 June, a simple majority – 134 of the 275 members – approved important parts of the electoral law. The provisions include the 30% quota for female members, who total 24% at present. On 27 June they decided that the Mogadishu region (Banadir) would, for the first time, get 13 Senators. This looked on the surface like an increase in representation, which was welcomed until citizens realised that

they would be selected by an unfair system.

The Upper House has 54 members, not including the 13 added for Banadir.

Farmajo's government currently has trouble getting the two-thirds majority necessary for constitutional changes, but this will be easier if it controls the 13 new Senators. All the Senators are meant to be representatives of the federal member states. Who represents Mogadishu and Banadir in the Senate is highly contentious because it means deciding which clans 'belong' to the region, an issue that has ignited serious violence in the past.

The draft electoral law openly contradicted parts of the constitution, and contained compromises based on the inability to conduct elections in the normal fashion in Somaliland, and the fact the electoral register cannot be drawn up in the midst of *Al Shabaab* operations. Hence the retreat to the 4.5 formula, which crudely balances representation between the clans but is reckoned out of date and superseded by demographic changes.

MOGADISHU KINGPIN

One of the drawbacks of the compromise legislation is that it specifies that constituencies be geographically based, but if they can't be, for security reasons, then the 'elections' should take place in Mogadishu.

The overall result of this situation is to place Mogadishu at the apex of the electoral system, meaning that the party or group that controls Mogadishu controls the election. Since Farmajo and his group are most influential in the capital, that effectively means they will marginalise and exclude most of their opponents from parliament since it is in Puntland, Jubaland, South West State and Somaliland for example, that the anti-Farmajo opposition is concentrated.

A meeting of federal member state presidents in Dhusamareb in mid-July only accentuated the gulf between them and Farmajo, but it also showed differences between Farmajo and his Prime Minister, **Hassan Ali Khaire**.

These are the only the most obvious of the difficulties. Another is the seats allocated to women. It has been decided that all seats allocated to women in the current parliament would be given to women in the new one. This means that women in other clans would only have a limited chance of representing their clans. The seats to be represented by women should rotate among the clans, it is also argued. Far from building legitimacy for female representation,

the new law may actually weaken it.

Farmajo thought he could ram through the legislation in parliament, but the demonstrations made it clear that won't work. Two previous presidents, **Hassan Sheikh Mohamud** and **Sharif Sheikh Ahmed** objected to the selection method of the 13 Mogadishu senators, fuelling the protests. Demonstrations against the government are likely to continue.

DONORS UNDECIDED

The main foreign donors seem unable to decide their position. They spent a lot of time endorsing the one-person, one-vote principle without seriously questioning the practicalities

or listening to local political advice.

The donors reacted to NIEC chairperson Halima's speech in parliament by tweeting their approval, even though she was going back on promises she had made for months, and was promoting an extension of Farmajo's term, something they had always opposed.

This puts the Western countries at odds with their previous commitments, making them look as though, having endorsed and financed a constitution that advocates federalism and the rule of law, they are ready now, for political convenience, to retreat from that entirely and support Farmajo's efforts to stay in power at all costs. ●

ZAMBIA

Unhealthy ambition

The sudden arrest of the health minister is more about the jockeying for high office than campaigns against corruption

Once one of President **Edgar Lungu's** closest allies and considered by many his most likely successor – or at least his running mate in next year's general election – **Chitalu Chilufya** is suddenly yesterday's man having been arrested on corruption charges (AC Vol 60 No 23 & Vol 59 No 8). The Health Minister appeared in a Lusaka court on 16 July to plead not guilty to four counts of corruption which could fetch him a five-year sentence if convicted. Trial starts on 4 August.

Chilufya's fall from grace was orchestrated by a rival faction within the governing party seeking to undermine his position in the succession race, State House and Patriotic Front (PF) insiders told *Africa Confidential*. The faction is predominantly Bemba and includes the influential former Finance Minister **Alexander Chikwanda**, Tourism Minister **Ronald Chitotela**, and **Chitimukulu Kanyanta Manga Henry Sosala**, the paramount chief of the Bemba, the largest ethnic group in Zambia with about 20% of the population.

Although Chilufya is also Bemba, this faction has long courted Lungu to anoint the current Finance Minister **Bwalya Ng'andu**, another Bemba, as his successor or running mate. The group fears that Lungu is unpopular and that fielding him in the August 2021 poll could lead to defeat.

But they are unconvinced that Chilufya is a better alternative, not least because he, like the President and his

entourage, has been accused of graft, making him difficult to market to voters, many of whom are disenchanted with the growing levels of corruption in Lungu's administration. Senior PF strategists are also afraid that Lungu may not be well enough to complete another term if he won re-election. Pundits say the Bemba group has manoeuvred against Chilufya in order to improve Ng'andu's chances, either as Lungu's running mate if he goes for a third term, or as the PF's presidential candidate.

Until recently, the President refused to sanction moves by the Anti-Corruption Commission (ACC) against Chilufya for fear that he himself might be dragged into the case. But that was before the coronavirus outbreak catapulted the Health Minister, who provided daily updates on the spread and effects of the virus, to the front seat of the government's public relations campaign. Chilufya grasped the opportunity to promote an image as a competent politician in a cabinet riddled with incompetents, although his department has had a very patchy record on health management in general (AC Vol 61 No 4).

More importantly, Chilufya also became the recipient of huge donations from corporate entities and businesspeople seeking to contribute money to the government's fight against the pandemic. After oppositionists pointed to the oddity of donating money directly to the ministry, Vice-President **Inonge Wina** and

Ng'andu publicly expressed concern about the lack of accountability for the donations, prompting suggestions that Chilufya was using the pandemic to boost his personal campaign war chest.

Intimidated by his health minister's growing reach, Lungu finally intervened in June by ordering the government's daily briefings on Covid-19 be reduced to a maximum of two per week – though a recent spike in the number of positive cases may force the revision of this directive. The President has also ordered the reopening of schools, churches, airports, and all major sectors of the economy, stating that 'a new normal' should resume. To placate the pro-Ng'andu faction, Lungu authorised the prosecution of Chilufya but only after ordering the ACC to bring lesser charges against him that would not implicate the President, insiders say.

PRESIDENT'S PACT

In the meantime, the President appears to have settled on Defence Minister **Davies Chama** as his running mate (AC Vol 56 No 18). However, Lungu is worried that Chilufya will react by challenging him for the PF's leadership at the party's elective conference, originally scheduled for this month. Should Chilufya cooperate, Lungu, who has vowed to keep the health minister in his post during his trial, plans to ensure that he is either acquitted of all charges or let off the hook by pressuring the Director of Public Prosecutions to discontinue the case. If he refuses to play along, Lungu plans to instruct the ACC to bring serious charges against him that would end his political career with a conviction, we hear.

Lungu had previously hinted to Chilufya that he preferred him as his successor or running mate, but PF insiders told *Africa Confidential* that Chama is now preferred because he is

seen as less ambitious and more loyal to the President.

The President has also indicated in private conversations that he might consider not seeking re-election if he is guaranteed immunity from prosecution, gets a decisive say on his choice of successor, and the leader of the opposition United Party for National Development (UPND), **Hakainde Hichilema**, is kept out of State House, we understand (AC Vol 58 No 9). 'The Boss says he would rather risk a civil war than let Hichilema gain state power because he fears he would send him to prison,' one of Lungu's close associates told *Africa Confidential*.

Lungu is not convinced that the pro-

Ng'andu faction will honour its pledge to protect him from prosecution should he leave office, but he has much greater confidence that Chama would do so.

The President has in the recent past shown a growing appetite to deploy the army to quell public incidents of unrest, including those that could have been easily handled by the police. Security sources say that this could be a dress rehearsal for a possible unfavourable result from the 2021 election. The government has recently procured substantial quantities of crowd-control equipment.

Chama, who was recently promoted by Lungu to a senior leadership role in the PF, is a Bemba speaker from Luapula

Province, but it is not known whether the pro-N'gandu faction would support his candidacy. If the Chikwanda-Chitimukulu group rejects Chama, then it is likely to challenge Lungu should he refuse to accede to its demands. If the President ignores the group, it may support a rival candidate at the elective conference, form a breakaway party or throw its support behind an existing one, or frustrate a constitutional amendment bill that would clear the path to Lungu's re-election but still requires a two-thirds parliamentary vote (AC vol 59 No 3). The bill's prospects have been hit by Covid-19's spread in parliament and the sudden death of two MPs who supported it. ●

FRANCE/SAHEL/G5

In it together

The Sahel's armies commit atrocities but fail in battle against the jihadists. Europe is sending more troops and resources

Takuba, the deployment of a multinational European and Sahelian Special Forces contingent to the Sahel, part of a broadening European engagement in the region, formally began on 15 July. The EU military training mission in Mali (EUTM) will extend its work to neighbouring countries and **Spain** is to assume the leadership of the Alliance for the Sahel partnership of development donors, which is intended to address the social and economic issues at the root of insurrection.

For the countries in the G5 Sahel alliance, and their often ineffectual military forces, this enhanced European support brings both practical help and political reassurance after difficult weeks during which their armies have come under fierce international criticism for slaughtering mainly Fulani, or Peul, villagers, although they are not the only victims. The jihadists often recruit from the Fulani, and government forces and allied militias regularly target their settlements indiscriminately in the wake of jihadist attacks.

Amnesty International has accused the **Malian**, **Nigérien** and **Burkinabè** armies of murdering at least 199 civilians in March and April. When it renewed the mandate of the *Mission multidimensionnelle intégrée des Nations unies pour la stabilisation au Mali* (Minusma), on 29 June, the UN Security Council demanded concrete action to bring the perpetrators to justice.

The next day's G5 summit in

Nouakchott saw the leaders unite in condemning the atrocities, which fuel the cycle of revenge and polarise communities even further, to the advantage of the jihadist groups. Niger's General **Oumarou Namata**, who commands the G5 joint force, has now prioritised deployment of its police component as part of an effort to work better with local communities.

At the G5 summit France's President **Emmanuel Macron**, along with Spanish prime minister **Pedro Sanchez**, emphasised the importance of breaking the cycle. 'The Peuls, in particular, are nobody's enemy,' the French President said.

Originally arranged as a half-year review of progress since the last such gathering at Pau in southern France in January, the Nouakchott summit was a chance for **Mauritania's** new president **Mohamed Ould Ghazouani** to demonstrate the continuation of the Sahel-focused strategy established by his predecessor **Mohamed Ould Abdelaziz**, despite their deep domestic political differences (AC Vol 61 No 2 & Vol 60 No 23).

But in light of the recent international concern over military abuses – and, in Niger, a procurement scandal that could cost the defence budget €110 million – G5 leaders were also under pressure to reassure external partners that they are serious about improving governance and respect for human rights.

German Chancellor Angela Merkel, **Italian Prime Minister Giuseppe Conte**

and European Council President **Charles Michel** joined the talks by video-link, as did African Union commission Chair **Moussa Faki Mahamat**, UN Secretary-General **António Guterres** and Secretary General of the *Organisation internationale de la Francophonie* **Louise Mushikiwabo**.

For strategic and economic reasons it has been a longstanding goal of French Africa policy to Europeanise its engagement, especially since the military burdens, such as *Operation Serval*, which halted a jihadist column on the road to Bamako in 2013, have so increased in scale. While Europe has been playing an increasing role, France remains politically exposed in the region.

There were hopes that the creation of the G5 joint force in 2017 would ease the load on the 5,100-strong French regional force, *Operation Barkhane*, which is run from Ndjamen. But a wide variety of organisational and governance issues soon made it clear what an enormous task it would be to make the G5 into a credible force. This has left French troops in a leading role which attracts increasing resentment among Sahelian populations, especially in towns, even though they do not support the armed Islamists.

The renewed European involvement is intended to help gain greater local acceptance for the anti-jihadist mission and take some of the heat off France.

The **United Kingdom** recently prolonged its secondment of three Chinook transport helicopters to *Barkhane* (AC Vol 61 No 1). Troops from Estonia are joining French units as Takuba establishes itself at Gao, Ansongo and Ménaka in the *Zone des Trois Frontières* ('Tri-Borders Region') – where Islamic State in the Greater Sahara (ISGS) killed hundreds of Malian and Nigérien soldiers in a series of attacks between September and February.

Forces from the **Czech Republic** and **Sweden** will join the mission early next year. And **Greece's** foreign minister **Nikos Dendias** recently announced his country will join the operation, whose targeted total strength is 600 Special Forces. In Mali, Germany has more troops stationed than in any foreign country at any time since 1945, with 1,100 assigned to Minusma and 450 to the EUTM.

The diverse military commands – G5, *Barkhane*, Takuba, EUTM, and Minusma – are broadly coordinated under the umbrella of the Coalition for the Sahel, which was established at Pau in January and held its first, virtual, ministerial meeting on 12 June.

Meanwhile, Spain's decision to take

on coordination of the Alliance for the Sahel is in line with its build-up of development aid across the region, partially motivated by trying to deal with the causes of migration across the Strait of Gibraltar.

The Alliance has identified a list of 816 projects – covering everything from decentralisation and local services to agriculture and food security, energy and environment – totalling €16.7 billion, to be implemented by 2026. The priority is to get at least some of these under way quickly, with France taking the lead on pilot schemes.

The neglect of local political, inter-communal and developmental issues is a factor in the recent increase in violence in the border zone between

Ménaka in Mali and Tillabéri in Niger. The international effort attempts to reverse decades of neglect of these areas of policy and administration and all the donor countries are emphasising it as of equal if not greater importance than the military.

Nils Schmid, international issues spokesman for the German Social Democrat Party (SPD) – which holds the foreign affairs ministry in Merkel's grand coalition – has called for the inclusion of armed groups in political dialogue in the Sahel. Arguing that the region should be a key zone for joint French and German engagement, he confirmed that parliamentarians from the two countries will carry out a fact-finding mission to Mali. ●

CONGO-KINSHASA

Ballots and bishops

There is uproar over the choice of a new electoral commission head many fear will make the 2023 elections as dubious as the last

It was just like old times. Kinshasa, Lubumbashi and other Congolese cities have just witnessed noisy demonstrations by civil society organisations, churches and oppositionists denouncing parliament's decision by a large majority to approve the installation of a new head of the electoral commission – *Commission Electorale Nationale Indépendante* (CENI).

CENI's new chief, **Ronsard Malonda**, is its former Technical Secretary and was thus in the thick of the much-disputed 2018 presidential and parliamentary elections. The presidential contest was won easily by **Martin Fayulu**, according to leaks from CENI itself seen at the time by *Africa Confidential*, but the commission declared **Félix Tshisekedi** the victor (AC Vol 60 No 2). In the equally suspect parliamentary polls, the *Front commun pour le Congo* (FCC), a coalition headed by former President **Joseph Kabila**, scooped most of the seats, according to CENI, despite the wave of popular hostility towards Kabila. Again, like old times, the police fired teargas at the anti-Malonda protestors and broke up the demonstrations, claiming they were illegal. Several people reportedly lost their lives, including one police officer.

The National Assembly was influenced in its hurried vote by an earlier meeting of religious community leaders who voted 6-2 in favour of Malonda. The clerics are meant to select the CENI boss for endorsement

by parliament, although it may decline. Those in favour included the Salvation Army, the Orthodox Church, the Kimbanguists, the Union of Independent Churches, the Seventh Day Adventists and the Islamic Community of Congo. (The Kimbanguists, a sect founded during the colonial era, later distanced themselves from the decision.) The two votes against were by the delegates of the Roman Catholic Church and the Protestant Eglise du Christ au Congo (ECC), which between them represent most Congolese Christians.

The decision-making process was denounced by Catholic spokesperson Bishop **Donatien Nshole** as a 'manipulation' at odds with the desire of Congolese for change at CENI and for a clean vote in the elections due in 2023. Cardinal **Fridolin Ambongo**, the Catholic Archbishop of Kinshasa, later went further, accusing **Jeanine Mabunda**, the president of the National Assembly and a staunch member of the FCC, of having 'contempt' for the Catholic and Protestant churches and the Congolese people.

Installing as head of CENI someone with a track record of certifying dubious results suits both Tshisekedi and the FCC because they hope to profit from it again in 2023. Tshisekedi cannot say so openly, however, because his *Union pour la Démocratie et le Progrès Social* (UDPS) received very few seats in the National Assembly in 2018 thanks to what its leadership is convinced was chicanery which Malonda was involved

in. Seeking to seem to be above the fray, Tshisekedi called for the CENI head to have 'the confidence of the people'.

Also on 2 July, the Politico-Administrative and Justice oversight committee of the National Assembly, which is majority FCC, approved a controversial new bill introduced by former Prime Minister **Aubin Minaku** which greatly increases the power of the justice ministry over judges and prosecutors. Lawyers denounced it as an encroachment on their independence, and non-FCC politicians called it a blatant power grab by Justice Minister **Célestin Tunda Ya Kasende**. Tunda is a senior figure in the FCC and close to Kabila (AC Vol 60 No 19).

Tshisekedi has also denounced the proposed law and was, we hear, behind the arrest and brief detention of Tunda in Kinshasa on 27 June. This prompted the usually discreet Prime Minister **Sylvestre Ilunga** to threaten to resign in protest, which for a time appeared to risk fracturing the fragile governing coalition between Tshisekedi's *Cap pour le Changement* (CACH) alliance and the FCC.

Instead, however, Tshisekedi and Kabila met on the evening of 2 July for a private chat, as a result of which the political temperature immediately cooled. The next day parliament's justice committee said it would refer the contentious bill to the National Assembly in its next session, in September.

In one of its last decisions before going into recess, the Assembly on 6 July voted for the sixth time to extend for another two weeks the state of emergency imposed because of the coronavirus pandemic. Several deputies, mostly from the FCC, said that this should be the last extension and that the government should produce an exit strategy.

Three days earlier, government health-workers fighting the pandemic

began a go-slow in protest at the non-payment of four months-worth of promised bonuses, and the lack of support from government for family members of colleagues who had died from the disease.

The government's Covid-19 task force has received hundreds of millions of dollars from international donors, and increasingly urgent questions are being raised about what has happened to the money. A leaked memo to Ilunga from

deputy health minister **Albert M'Peti Biyombo** alleged 'mafia networks' had been embezzling the funds.

In late June, the World Bank approved a new US\$1 billion aid package including \$800 million for education, and \$200m for maternal and infant health, making this its biggest ever project in Congo-Kinshasa. The education component comes as a huge relief to Tshisekedi as it will enable him, at least for a while, to finance his

'gratuite' policy, which abolished all primary school fees. The fees used to pay the salaries of teachers, all of whom lost their incomes when the new policy came in. The government promised to put them on the government payroll, but the policy looked in danger earlier this year from a lack of funds. Now that World Bank money is coming to rescue the initiative, Tshisekedi will have something concrete to present to the electorate in 2023. ●

CÔTE D'IVOIRE

Quest for a new dauphin

The death of the prime minister faces the president with difficult choices. One of his riskiest options is to try to stay on

Politics is in deep turmoil following the sudden death on 8 July of the man widely expected to have become the new president by the end of the year, Prime Minister **Amadou Gon Coulibaly**. It was only in March that President **Alassane Ouattara**, after finally giving up the idea of standing for a third term of office, effectively anointed the uncharismatic Gon Coulibaly to succeed him as presidential candidate for the ruling *Rassemblement des Houphouëtistes pour le Développement et la Paix* (RHDP – AC Vol 61 No 12).

Now, however, as tributes to the late premier pour in, speculation is already rife that Ouattara may judge that none of his other followers are up to the job and that he must rise to the challenge himself.

That could be risky. Ouattara gained widespread praise at home and abroad when he said he was standing down to make way for a new generation three months ago. It also relieved many who were anxious about the possibility of conflict had he done otherwise (AC Vol 59 No 14). Ouattara believes the constitution allows him to stand for a third term but practically no other authority agrees (AC Vol 60 No 4).

Defence Minister **Hamed Bakayoko** – long seen as the alternative had Ouattara not picked Gon Coulibaly – came back into the frame after the prime minister flew to Paris for emergency medical treatment on 2 May and concern grew that he might not be well enough to conduct an arduous campaign (AC Vol 61 No 12). (Indeed, Abidjan is rife with rumours that Gon Coulibaly was pressured to re-enter the political fray too soon for his health. He returned to Abidjan on 2 July).

He fell ill at a cabinet meeting

and was rushed to hospital in Cocody, where he died soon after arrival. While in Paris he had a stent fitted at La Pitié Salpêtrière hospital, where he received a new heart in 2012.

Gon Coulibaly was Ouattara's ultimate loyalist. Of prominent Senoufo ancestry, he shared with the president a traditional northern background, and his mentor's liberal economic beliefs and mastery of technical policy detail. He was mayor of the RHDP stronghold of Korhogo from 2001. Widely seen as loyal and efficient but a political plodder, he stuck with Ouattara through the dark, tough years in opposition when there seemed to be no hope of gaining power. Both men were excluded from high office by the racist 'ivoirite' laws, later overturned.

OUATTARA'S APPRENTICE

Gon Coulibaly's long apprenticeship continued when Ouattara became president in 2011. Ever the trusted lieutenant, Gon Coulibaly faithfully delivered the President's agenda. He first became secretary-general of the presidency and then from 2017, prime minister. Becoming president would have been the last stop on a long ascent.

The two men were linked not just by politics but by trust, empathy and a deep paternal-filial affection. In paying tribute to him, Ouattara said he lost 'a younger brother, a son'.

Besides the criticism and damage to prestige the 78-year-old Ouattara would face for standing again, another campaign would be a tough personal challenge. He is known for taking on a heavy workload and an arduous travel schedule. He had planned to retire on a high note as the architect of regional currency reform – replacing the CFA

franc with a first version of West Africa's planned new eco – rather than lingering on like Africa's dinosaur leaders.

Colleagues like Bakayoko will be hoping he sticks to his original plan. The defence minister was always more of a natural politician than Gon Coulibaly, more experienced in the campaigning arts and always careful to nurture links to groups beyond the RHDP base, including some supporters of former President **Laurent Gbagbo**. But one cloud hanging over him is the recent accusation by Vice Media that he is a kingpin of the West African drugs trade. He denies it and has promised to sue his French accusers.

Vice-President **Daniel Kablan Duncan** and presidency chief of staff **Patrick Achi** are seen as other potential RHDP candidates. Both offer the advantage of having originally come from **Henri Konan Bédié's Parti Démocratique de la Côte d'Ivoire** (PDCI) and thus broadening the RDHP's electoral appeal beyond its northern heartland. Kablan Duncan hails from Ouellé, near Bédié's home town, Daoukro, in the cocoa belt.

The pair are close allies and among opposition-leaning voters the mild-mannered Kablan-Duncan is a conciliatory figure. But he lacks popular appeal and at 77, he cannot represent generational change. Bédié, who is standing for the presidency himself, is 86 (AC Vol 61 No 13).

Achi, by contrast, is 64. Born in Paris and a trained engineer, he certainly has technocratic credentials. He spent many years as infrastructure minister, overseeing the construction of roads and dams around the country – a useful generator of electoral goodwill among local notables. And he has taken care to cultivate regional political roots, being elected member of parliament for Adzopé in the south-east and chair of the local assembly for the surrounding Mé region. The RHDP has more time to choose an alternative flagbearer now that the electoral commission has postponed the deadline for the registration of presidential candidates until the end of August. ●

POINTERS

Tunisia

IN SEARCH OF CONFIDENCE

■ **Elyes Fakhfakh**, Tunisia's prime minister for less than five months, has been forced to resign over allegations that he owned shares in companies that won state contracts.

The largest party in his coalition, the moderate Islamist party *Ennahda*, announced a vote of no confidence against him, hoping to ride a tide of public indignation over corruption and to use the country's complex constitutional rules to give it the right to nominate Fakhfakh's successor if the vote succeeded. It nearly did, with 105 parliamentarians saying they would back the no confidence vote, just four short of the 109 needed, prompting President **Qais Saïed** to order Fakhfakh to resign on 15 July, thereby ensuring that he rather than *Ennahda* would nominate the next prime minister.

There are suggestions that Saïed may choose a woman, a first for Tunisia. However, the Assembly has to approve not only the prime minister but all new ministers, each in a separate vote. It took four months from the October elections for the president to gain sufficient support for Fakhfakh as prime minister and another four weeks before his ministers were approved (AC Vol 61 No 5). This time it could be longer. The Eid holiday starts at the end of July, followed by the annual parliamentary summer break.

It is likely that the Assembly will ultimately approve whoever Saïed nominates, but this is not a forgone conclusion (AC Vol 60 No 22).

Meanwhile, the opposition Free Destourian Party, which supports the former Ben Ali regime, has been trying to block Assembly activity by any means available. It has lodged a no confidence motion against *Ennahda* leader and Parliamentary Speaker **Rachid Ghannouchi**.

Libya

RED LINES IN THE SAND

■ In June, Egyptian President **Abdul Fattah el Sisi** said that the Libyan central coastal town of Sirte and the airbase at Jufra further south, both held by General **Khalifa Haftar's** Libyan National Army (LNA) were red lines, warning the Government of National Accord and its Turkish backers that Egypt would intervene if they were attacked. In response, the GNA and Turkey declared that unless the LNA and its supporters withdrew there would be no GNA involvement in any internationally organised peace talks.

The two places are now key to what happens next. If the LNA is forced out of Jufra, it will lose control over southern Libya (AC Vol 61 No 11). The loss of Sirte would open the way for the GNA to press on to the oil terminals and fields in the Oil Crescent east and south of Sirte. But there is almost no chance that the GNA would accept the LNA staying put, particularly in Sirte (AC Vol 61 No 12).

Despite efforts to ease the tensions. Haftar is reported to have refused a United States suggestion that he pull out from Sirte and that the area eastwards to Ajdabya become a demilitarised zone.

Both Libyan sides have poured massive reinforcements into the Sirte front. For its part, Egypt has sent forces to the border while the pro-Haftar House of Representatives in Tobruk has declared an Egyptian intervention legitimate. On the other side, Turkish foreign minister **Mevlüt Cavuşoğlu** has indicated that Turkey would support a GNA offensive against Sirte, describing the GNA's demands that the LNA quit as 'legitimate and reasonable'.

Sisi has since qualified his 'Red Lines' speech saying that they were 'basically a call for peace'. He also said that Egypt would intervene only if its security were directly at risk. A GNA takeover of Sirte would necessarily constitute that. But some sort of Egyptian intervention looks likely, probably in Tobruk and possibly even Benghazi.

There are suggestions, too, that Turkish President **Recep Tayyip Erdoğan** is now also soft-peddling on Sirte, though more Turkish military equipment continues to arrive in Watiya and Misrata, which Turkey also wants as an airbase.

Gabon

PUBLIC RELATIONS PREMIER

■ The promotion of **Rose Christiane Ossouka Raponda** as Gabon's first woman Prime Minister is an astute piece of PR that may be welcomed in Paris and other European chancelleries even while they remain grimly realistic about the harsher side of the regime.

Raponda has moved rapidly to install women in 11 of the 33 ministerial posts – but the big jobs remain with regime stalwarts, mostly unchanged and mostly longstanding close colleagues of President **Ali Bongo Ondimba**: such as Interior Minister **Lambert Noël Matha**, and Oil Minister **Vincent de Paul Massassa** (AC Vol 60 No 25).

In a similar PR vein, the government-dominated national assembly and senate recently voted to decriminalise homosexuality – only a year after it had been formally criminalised – a reform that should play well with Western partners even though they were not exerting public pressure for change. The move wrong-

footed the opposition which, aware of traditional social pressures, opposed it.

The choice of Raponda is shrewd: she is close to Ali Bongo's mother **Patience Dabany** and the ruling family's inner coterie, who have long dominated the management of power – but she is also a credible younger generation technocrat.

Now 56, she entered government as budget minister in 2012, before being elected mayor of Libreville two years later.

In January 2019 she was brought back into government to lead the defence ministry.

As premier, Raponda's first task will be to stabilise an economy and public finances shaken by the Covid-induced global slump, which has slashed the price of Gabon's exports. Manganese is down by 28%, while the government now expects oil prices this year to average just \$30 a barrel, far short of the \$57 on which it had based its original budget calculations.

The last governing act of Raponda's predecessor, **Julien Nkoghé Békalé**, was to revise the budget to cut planned spending by 10%.

Tanzania

LISSU HEADS FOR HOME

■ Two and a half years after being shot 40 times by suspected government gunmen outside the National Assembly in Dodoma, opposition leader **Tundu Lissu** says he will return to Tanzania on 27 July as a free man, ready to take on incumbent **John Magufuli** in Presidential elections now set for 28 October.

Both those statements look highly optimistic. Lissu, who has been recovering and living in Belgium since the attack (AC Vol 60 No 3), insists that he will not face sedition charges and, despite having been stripped of his parliamentary seat during his absence, plans to stand for the opposition *Chama Cha Demokrasia na Maendeleo* (Chadema).

The chances of Magufuli's regime allowing Lissu – or any opposition leader – to stand and campaign against him appear slim, but there is still likely to be a contest for the Chadema nomination. Party leader **Freeman Mbowe** also plans to contest the presidential polls, despite himself having been hospitalised last month after being victim of what his party says was a 'politically motivated' attack (AC Vol 61 No 14).

Meanwhile, Alliance for Change and Transparency leader **Zitto Kabwe** was also arrested and released on police bail last month after being accused of holding an unlawful assembly (AC Vol 61 No 3). Kabwe is also facing competition for the ACT-Wazalendo party's nomination from former Foreign Affairs Minister **Bernard Membe**, who last week joined the ACT after being expelled from Magufuli's *Chama Cha Mapinduzi* in February (AC Vol 60 No 19).

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BLUE LINES

The future of the International Criminal Court is in question again as it tries to choose a successor to the prosecutor Fatou Bensouda. The United States, although it has never joined the ICC, stepped up its attacks on the court this year, barring its officials from US territory and threatening 'sanctions' against them should they investigate US nationals. Distrust of the ICC may be a rare point of convergence between African governments and President Trump's administration. Some African countries would support the court more if they could reform it. There are candidates for its top post of prosecutor from Nigeria and Uganda, as well as Ireland and Canada.

Relations between the ICC and Africa have thawed since 2016 when a handful of countries, including South Africa and Gambia, announced plans to withdraw from the Court, then abandoned them. Bad blood lingers from when leaders from across the continent accused the ICC of neo-colonialism and targeting African leaders.

Kenya's Ambassador to the Hague was the first to reject of the proposed candidates on the grounds that they lack 'managerial and diplomatic experience'. Nairobi's stance dates back the ICC's failed attempts to prosecute President Uhuru Kenyatta and his deputy William Ruto for involvement in the violence that followed the 2007 presidential elections. Convention suggests that the successor to Bensouda cannot come from the same region but there are hints that African leaders will play hardball. The court's members have until December to choose a successor.

ZIMBABWE

Mnangagwa in search of enemies

After two years of dangerous drift, military officers and state officials are covertly talking to oppositionists about the President's exit and a transitional authority

The extraordinary morning broadcast by President Emmerson Mnangagwa on 4 August reinforced the national sense that his legitimacy is eroding as fast as the value of Zimbabwean dollar. Heading a government which has detained some of the region's best novelists and journalists, abducted and tortured opposition activists, Mnangagwa warned citizens about 'the bad apples that have attempted to divide our people. Good shall triumph over evil.'

Those divisions are festering at the heart of his government. A week earlier at a meeting of the politburo, the 50-strong policy-making body of the ruling Zimbabwe African National Union-Patriotic Front, Mnangagwa called on Isaac Moyo, director general of the Central Intelligence Organisation, to report on a 'de-stabilisation' plot claimed to have been run by Claveria Chizema, a politburo member, and Tendai Savanhu, a former MP for Mbare.

Moyo explained that the plot showed collusion between dissidents within the ruling party and opposition activists whose aim was to drive Mnangagwa from power with a campaign of mass protests. Moyo claims his spies had discovered stocks of posters and placards calling for the toppling of Mnangagwa and praising his deputy former army general Constantino Chiwenga stashed at the homes of the party dissidents.

According to Moyo, after Mnangagwa was forced out, the plan was that Chiwenga would preside over a national transitional authority committed to

constitutional and economic reforms and free elections. In other words, a classic palace coup. An ironic reworking of the putsch that Mnangagwa and Chiwenga had jointly organised against President Robert Mugabe in November 2017.

IMPLICIT COMPLICITY

As Moyo explained the details of the plot against Mnangagwa to the politburo, Chiwenga, just back from another medical check-up in China, looked on impassively. Neither Moyo nor Mnangagwa accused Chiwenga of complicity in the plot from which he was meant to benefit. But the implied accusation hung in the room.

The only action following Moyo's report was the suspension of Chizema from the politburo for 'dereliction of duty', by not reporting the delivery to her house of posters calling for Mnangagwa's overthrow. The claimed uncovering of this plot set the scene for a crackdown by police and special forces' commandos on the opposition's anti-corruption demonstration on 31 July.

A 2,000 strong unit known as 'ferret' within the army's special forces has abducted and tortured activists, the latest being the nephew of Mduduzi Mathutu, editor of the ZimLive website, one of the leading local news operations.

Police also arrested and detained author and film maker Tsitsi Dangarembga and opposition spokeswoman Fadzayi Mahere for holding protest placards in the Borrowdale suburb of Harare. In the townships, raids on houses and meetings by the ferret unit were far

SOUTH AFRICA	2	NIGERIA	4	CONGO-KINSHASA	5	SUDAN	8	LIBYA	9
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more brutal. Some of the footage was relayed on social media, triggering the #Zimbabweanlivesmatter campaign. Taken up by national artists, athletes and musicians it is spreading across Africa, further undermining Mnangagwa's standing.

Economic conditions in Zimbabwe, with inflation at over 700% a year and the value of the local dollar in free fall after a money printing blitz by the Reserve Bank, are driving more desperate nationals to flee.

In neighbouring **Malawi**, newly elected President **Lazarus Chakwera** has publicly backed the #Zimbabweanlivesmatter campaign. That may owe more to Mnangagwa's endorsement of his opponent in June's election rerun, **Peter Mutharika**.

Mnangagwa's biggest concerns are closer to home: in fact nearer to state house and the army barracks and the officers' mess. It has emerged that the government's rush to lock down the country owed more to fears of a plot to oust Mnangagwa than an attempt to contain coronavirus.

Soon after the community protests in January, many brutally slapped down by the ferret unit, senior military commanders and figures in ZANU-PF started discussing alternative political strategies. The initial plan had been that Mnangagwa would serve one full term and then hand over to Chiwenga.

But citing Chiwenga's apparent poor health – he spent several months in **China** for medical treatment last year – Mnangagwa lost interest in that idea.

Another factor is that Mnangagwa's family, particularly his wife Auxilia who was nearly killed in a car crash last month, and his business-minded twin sons Colin and Sean, are urging him to stay on to forestall a national breakdown. Outside his fast diminishing circle of admirers, few believe that Mnangagwa should hang on.

Despite their working together for decades, relations between Mnangagwa and Chiwenga have cooled this year. They are unlikely to have improved after Mnangagwa added the health portfolio to Chiwenga's responsibilities. **Obadiah Moyo**, the sacked health minister, is being prosecuted for corruption after journalist **Hopewell Chin'ono** exposed a procurement scam involving the minister and a businessman and friend of Mnangagwa's family (AC Vol 61 No 7).

Yet Chin'ono is being detained on charges of subversion, tied into the planned anti-corruption protests, and minister Moyo is out on bail. Both Chiwenga and the Commander of the national army, Lieutenant General **Edzai Chanyuka Chimonyo**, have been telling colleagues and business people that the country is drifting dangerously.

A former officer told *Africa Confidential* that such talk is army code meaning the junior officers will act if the senior officers don't.

Living conditions for junior officers and the ranks have deteriorated sharply under Mnangagwa, despite the common complaint by civilians that he is running a military regime. It is mainly a thin stripe of top officers that have benefited in the past two years.

Until now, Mnangagwa has been protected by a group of senior officers and security specialists from the Midlands province. Most of them were in the Zimbabwean African People's Union and its armed wing, the Zimbabwe People's Revolutionary Army. Mnangagwa is said to have ensured they were spared when he, as Minister of State Security in the mid-

1980s, was part of the security system that organised the purges of ZAPU and ZIPRA cadres and the Gukurahundi massacres in Matabeleland.

This group includes Commander of the Zimbabwe Defence Force **Philip Valerio Sibanda**, Foreign Minister General **Sibusiso Moyo**, CIO chief **Isaac Moyo**, and head of Military Intelligence General **Thomas Moyo**. It may be that those historic loyalties are wearing thin.

We hear that several in this ruling group now favour either Chiwenga or General Sibusiso Moyo to take over from Mnangagwa in a palace coup that would allow the formation of a National Transitional Authority, in consultation with opposition leader **Nelson Chamisa**.

When first mooted, the plan would have granted Mnangagwa immunity from prosecution and a soft landing and he was said to have given it serious consideration. That option looks less likely now with fresh investigations reckoning that Mnangagwa's personal fortune could be around US\$500 million involving substantive stakes in at least four national banks, several gold mines and equity interests in transport and agribusiness companies.

The decision by the **United States** Treasury on 5 August to sanction Mnangagwa's business ally **Kudakwashe Tagwirei**, chief executive of Sakunda Holdings and majority owner of Landela Mining Ventures, raises the stakes (AC Vol 61 No 5). Widely seen as a proxy for Mnangagwa, Tagwirei's dealings with commodity traders Trafigura have made him immensely wealthy in his own right.

Tagwirei is also said to have used some of the \$3 billion of Mnangagwa's grossly mismanaged Command Agriculture programme to distribute largesse to senior ranks in the military. Any gratitude appears to have been short-lived. This week, Tagwirei was looking uncharacteristically worried when driving his new pink Rolls Royce through Chisipite, one of Harare's most prosperous suburbs. ●

SOUTH AFRICA**In virus veritas**

The Covid-19 pandemic is revealing some uncomfortable truths about the country's politics as the pressures and dangers increase

Most accept that the ruling African National Congress (ANC) and President **Cyril Ramaphosa** started the pandemic well. The President masked up immediately

and has stayed masked, unlike many world leaders, and has delivered consistent and mostly accurate messaging on this and the other non-pharmaceutical interventions required

to contain the spread of Covid-19. Health minister **Zweli Mkhize** has been hard-working and serious minded from the outset (AC Vol 61 No 8). Ramaphosa's government locked the country down early, also slowing the spread of the virus and put together a 500 billion rand (US\$26bn) fiscal stimulus package, far larger as a proportion of GDP than has been managed in most developing countries (AC Vol 61 No 15).

But as the economy nosedives and the country's recorded Covid-19 cases have grimly risen to number five in the world, the initial coherence

in the government's approach to the pandemic has unravelled, replaced by an unseemly tangle of contradictory rules and exemptions that have pushed South African cynicism about politics to an all-time high.

Ramaphosa, who has not given a press conference for months, preferring to deliver periodic televised homilies to the nation from his chair, still claims to be listening to the science. But on a number of contentious issues, including the ban on the sale of cigarettes and alcohol, it has been **Nkosazana Dlamini-Zuma**, who is the Minister in the Presidency, and the head of the government's National Coronavirus Command Council, who has been making the decisions. ANC sources told *Africa Confidential* that Ramaphosa is not happy with the power Dlamini-Zuma has accrued via the Command Council but has decided it is better to leave her be and preserve her as an ally.

SPECIAL INTERESTS

Also, on two major issues the scientists advising Ramaphosa have been overruled because of pressure from special interest groups to whom the ANC appears unable to say no. Minibus taxis filled to overflowing with passengers were quickly identified as a major risk of Covid-19 transmission and were prohibited completely in the early stages of the lockdown. The government offered the taxi industry hefty compensation for their losses, but this was rejected as insufficient. Then, Transport Minister **Fikile Mbalula** changed the rules and permitted taxis to travel 70% full. This, too, was rejected by taxi associations, who instructed their members to defy the minister and fill their vehicles with passengers. Shortly after, the government caved in and permitted 100% occupancy for taxis travelling 'short' distances, generously defined as 200km or less.

The government refuses to divulge the scientific advice it has received on schools, but the evidence suggests that it has been to keep them open, on the grounds that the risks of virus transmission between children is relatively low while the short- and long-term negative consequences of keeping them out of school are excessively severe. The South African Democratic Teachers' Union (SADTU) begs to differ, accusing the government while schools were open of being complicit in the deaths of its members from Covid-19.

After weeks of consultation, the government caved and again closed government schools, while allowing independent and private schools to remain open. SADTU is one of South

Africa's biggest public sector unions and the ANC is counting on its support at local elections scheduled for June 2021. SADTU and the Congress of South African Students have demanded that the government close private schools too, and threatened mass action if it did not. The government has not responded and the threatened action has not materialised yet.

Meanwhile, an apparently endless series of scandals have been breaking involving high-ranking ANC members or their partners profiting from lucrative tenders with provincial and local government health departments, particularly for the provision of personal protective equipment. In one recent case, **Madzikane Diko**, who styles himself the King of the Bhaca (a claim the Eastern Cape provincial government disputes), and whose wife **Khusela Diko** was a spokesperson for Ramaphosa and sits on the ANC's Gauteng provincial executive committee (PEC), secured a R125 million contract with the Gauteng provincial administration to supply PPE. Khusela Diko went on 'leave of absence' after the scandal broke, the contract was allegedly cancelled – though it has subsequently emerged that a hefty chunk of the money has already been paid by the Gauteng government – and the Diko couple issued a statement regretting their 'poor judgement'. *Africa Confidential* hears that Khusela Diko will soon be quietly re-assigned to a new job in the government's communication service.

POINT TO PROVE

Ramaphosa has promised South Africans that no effort will be spared to stop corruption in tenders related to Covid-19 prevention. When the Diko scandal hit, Gauteng premier **David Makhura** immediately came under pressure to prove that the President's words actually meant something and that Ramaphosa's 'new' ANC is a different animal from **Jacob Zuma's** (AC Vol 58 No 14). On 30 July, Makhura placed Gauteng provincial health minister **Bandile Masuku** on 'leave of absence' while the matter is investigated. Masuku's wife **Loyiso**, who is a member of the Johannesburg city council and said to covet the post of city mayor, has also been placed on 'special leave'. The Masukus and Dikos are close friends and their social gatherings have been the talk of social media.

Makhura has alleged that 'more than 100 companies' are under investigation concerning PPE tenders in the province. This was meant to reassure, but also raised questions about the procurement practices themselves. It was also not clear whether Makhura's investigation

will also consider the province's decision to award a R6m contract to SDI Force, a 'non-profit' company owned by **Andile Ramaphosa**, the president's son, to make modifications to taxis to reduce the risks of virus transmission for passengers and drivers.

The news about the Diko contract first emerged in the *Sunday Independent* newspaper, which is openly aligned with the ANC's Zuma faction, whose most powerful member is the party Secretary-General **Ace Magashule**. Perhaps out of revenge, on 31 July leaks revealed that two companies owned by Magashule's sons **Tshepiso** and **Thato** had won Covid-19 related contracts from the Free State provincial government, where Magashule used to be premier, worth R2.7m.

OPPOSITION SETBACKS

The opposition Democratic Alliance (DA) has called on Finance Minister **Tito Mboweni** to compel all the provinces to publish all their PPE contracts. However, the DA, and opposition parties as a whole, have struggled to capitalise on the ANC's handling of the crisis and suffered their own self-inflicted setbacks.

The DA started off by supporting the lockdown but now opposes it because of the negative economic consequences and argues that South Africa should somehow get back to work 'safely' (AC Vol 61 No 10). Former party leader **Helen Zille**, now the chairperson of the party's Federal Council, tweeted in June that 'the lockdown will kill more people in the longer term than Covid'. Around the same time, Zille also tweeted that the ANC had become 'racist evil', alleging there were now more racist laws in South Africa than under apartheid (AC Vol 60 No 23). This latter tweet is said by the DA to be 'under investigation' internally, but a month on no findings and no conclusion have been published. Interim party leader **John Steenhuisen** has kept quiet on Zille's tweets, giving the impression that he either agrees or lacks the stomach to challenge her, though Steenhuisen has at least – successfully – asked Zille to stop tweeting.

While Covid-19 has helped the DA get in touch with its libertarian inner self, the Economic Freedom Fighters have embraced the state-enforced lockdown, and want it aggressively tightened. Challenging its reputation as a party lead by bon viveurs, the EFF says it fully supports the government's deeply unpopular ban on the sale of alcohol, and has accused taxi associations of being 'terrorist cowards' for continuing to operate their fleets, calling their members 'suicide bombers'. EFF leader **Julius Malema** has been vocal about the

need for social distancing and masking up, though this did not stop him posing for photos standing very close to family members of the late **Zindzi Mandela**, **Nelson Mandela's** daughter, none with masks, at her funeral on 17 July. Zindzi Mandela is reported to have been infected with Covid-19 when she died.

Malema recently claimed that scientists calling for an easing to the lockdown are serving a 'secret agenda', and has accused Ramaphosa and the ANC in their partial easing of restrictions of pandering to 'white monopoly capital'.

Going further, Malema has appealed to black South African workers to defy the steady lifting of lockdown prohibitions on employment and stay at home, in the hope that this will finally induce the collapse of the 'white monopoly economy'.

Few South Africans, SADTU-members excepted, have heeded Malema's call, but few seem impressed either by anything other politicians have to say. Instead, the nation is preoccupied with trying desperately to find new ways to make a living, with servicing

loans – debt defaults are soaring – and with sourcing alcohol and cigarettes. In these latter ventures, at least, people are succeeding, and it appears only a minority now lack access to the burgeoning population of bootleggers. Evading prohibition has turned many previously law-abiding citizens to crime. The South Africa Revenue Service is already facing a projected R304bn shortfall in tax revenues this year due to business closures and job losses, and worsening tax compliance will only add to the losses. ●

NIGERIA

In Edo, all politics is national

State elections next month in the heart of what was once West Africa's biggest empire is testing the coherence of the country's two main parties

Last month, a massive new video screen appeared at the busiest intersection in Benin City, centre of a once towering kingdom and now capital of Edo state. Where the region's most formidable warriors used to battle for control of the terrain, besuited politicians with bags of money and seductive promises now vie for electoral supremacy.

The billboard shows a video on a loop, already seen by millions on YouTube, of ruling All Progressives' Congress governor of Kano state, **Abdullahi Umar Ganduje**, stuffing hundred dollar bills, believed to be kickbacks for contracts, into the folds of his capacious agbada (AC Vol 61 No 14).

Its significance, clear to Edo voters, is that Ganduje heads the well-financed campaign by the APC – which claims to be the party of anti-corruption – to keep control of the state in elections due on 15 September.

This election is both a bitter contest between two local foes and a measure of the national strength of the APC and the opposition People's Democratic Party (PDP) which runs all the states in the oil-rich South-South region, although the APC won the last election for Edo. The vote will be the first big showdown ahead of national elections in 2023.

POWER STRUGGLE

Since he was elected state governor in 2016, Godwin Obaseki has been embroiled in a torturous struggle for power with his immediate predecessor and former ally, **Adams Oshiomhole**, former leader of the Nigerian Labour Congress (AC Vol 57 No 24).

Precise reasons for their grudges – political, psychological and financial – remain obscure but the result is a particularly vicious campaign. Oshiomhole used his power within the APC to block Obaseki's nomination for a second term as state governor, whereupon Obaseki defected to the PDP and became its candidate.

Showcasing big investments in schools, clinics and roads across the state during his first term, Obaseki has been winning over an electorate that sees him as the underdog. Voters have also been shocked by details emerging of the sleaze during Oshiomhole's two terms time as Edo governor and then as national chairman of the APC (AC Vol 59 No 14).

Obaseki has also used the Covid-19 pandemic as a pretext to ban rallies by his opponents, and restrict political meetings in the state.

Oshiomhole, suspended from the national chairmanship of the APC last November for high-handedness and claimed financial malfeasance in primary elections, has been trying to win back control in the party hierarchy and in Edo. He finally stepped down in June.

After he persuaded the state chapter of the APC to disqualify Obaseki from running for a second term, Oshiomhole appeared to be winning. It was a script borrowed from APC national leader **Bola Tinubu**, who pushed out incumbent Lagos governor **Akinwumi Ambode** ahead of the 2019 elections leaving the path clear for a more pliable candidate (AC Vol 60 No 4).

In Edo, Oshiomhole is channeling his efforts to help a former foe, **Osagie**

Ize-Iyamu, win the governorship on the APC ticket.

In a role reversal, Ize-Iyamu, a former campaign director for Oshiomhole, was the opposition PDP's pick as gubernatorial candidate in 2016 against Obaseki. Earlier, Oshiomhole had turned against Ize-Iyamu with typical ferocity, claiming that the clergyman-cum-lawyer was unfit for office.

Among his charges were that Ize-Iyamu had been rusticated in university for pouring acid on someone. The men now say this enmity was all a terrible misunderstanding.

After initial scepticism from the PDP barons, Obaseki has won their support for his battle in Edo, including the local PDP Niger Delta governors **Nyesom Wike** of Rivers, **Ifeanyi Okowa** of Delta and **Emmanuel Udom** of Akwa Ibom.

Meanwhile, the APC's 49-man campaign committee led by Ganduje includes regional heavyweights like minister of state for petroleum **Timipre Sylva**, deputy President of the Senate **Ovie Omo-Agege** and two former governors of Edo (AC Vol 60 No 4).

'VICES'

As he tried to cool tempers, **Eheneden Erediauwa**, the Oba of Benin, lamented that the local strife was making Edo a laughing stock, urging the two front-runners to 'eradicate the twin political vices of godfatherism and consensus candidate' because both practices are 'antithetical to the fundamental basis of democracy.'

This rare political incursion by the monarch was taken as a tacit endorsement of the governor. Supporters of both parties have clashed outside his palace.

A different crisis is rocking the APC in Ondo, one of the states in the south-west where Tinubu used to hold sway. Governor **Rotimi Akeredolu**, who stood in defiance of Tinubu in 2016, is seeking re-election with a new running mate. His erstwhile deputy, who is believed

THE EDO PLAYERS AND THEIR SCRIPTS

- **Adams Oshiomhole:** This abrasive politician has been a national figure since the return of civilian rule in 1999. As a national trade union leader with a penchant for khaki safari suits, 'Comrade Adams' was a thorn in the side of President **Olusegun Obasanjo's** government. He moved on to become governor of his home state as his popularity peaked. After two terms as governor and a high-society wedding to a Cape Verdean model in 2015, he was named APC party chairman.
- **Osagie Ize-Iyamu:** Since 1999, Ize-Iyamu, bespectacled, street-smart and connected to a famous Benin chieftom, has been a journeyman politician, becoming chief of staff and later secretary to the PDP government. He transitioned to campaign director for Oshiomhole under the APC, before campaigning as the PDP flagbearer against Obaseki in 2016.
- **Godwin Obaseki:** By contrast, Obaseki, a Columbia MBA alumnus turned investment banker, is seen as a technocrat governor. A scion of Benin's aristocracy, Obaseki's uncle was a former managing director of the Nigeria National Petroleum Corporation (NNPC) under Obasanjo. His grandfather was a leading politician and chief in the Benin kingdom in the 1940s and 1950s. His administration has focused on infrastructure and resuscitating cultural heritage.
- **Idahosa Wells Okunbo:** The former international pilot turned oil magnate owns a marine security company that recently built a 46 kilometre pipeline from the Escravos terminal to the Warri refinery. A longtime PDP financier who switched to the APC during Oshiomhole's tenure, he is now bankrolling Ize-Iyamu's campaign. He was said to have been the APC's first choice for the state election. At the root of his fight with Obaseki is the cancellation of a lucrative maritime security contract run by Okunbo's company across the Gulf of Guinea. Paying over US\$130 million a year, the contract was signed during **Diezani Allison-Madueke's** tenure as petroleum minister in **Goodluck Jonathan's** presidency. Federal transport minister **Rotimi Amaechi**, another foe of Oshiomhole, claimed that the deal was riddled with fraud. Okunbo thinks Obaseki is behind it.
- **Nyesom Wike:** The ebullient governor of Rivers state has never shied away from a fight with the APC, even though he is on poor terms with other PDP heavyweights who he has called 'tax collectors', a reference to those taking hefty sums from Obaseki in exchange for the party ticket. Wike is still seen as the in-house strongman of the party and a force to reckon with in regional politics. He's in Team Obaseki.
- **Bola Tinubu:** The de facto national leader of the APC has not been able to score victories as often as he used to. His former godsons are now setting out on their own and undermining his authority. Seen as Oshiomhole's political godfather for a decade, Tinubu, a two-time governor of Lagos, seeks a victory in Edo to boost his political kudos outside the nation's commercial capital. ●

to have Tinubu's backing, has resigned from the party.

Behind the scenes, the frontrunners for the APC presidential ticket in 2023 are taking a close interest in the party's tribulations in Edo and Ondo (AC Vol 61 No 14). Tinubu and Oshiomhole, among the country's canniest operators, will

face a stern test.

Oshiomhole's fight at national and state level is part of the battle to control the levers of the APC ahead of 2023. Under his cantankerous chairmanship, the APC lost states where it was the clear favourite, such as Zamfara and Rivers. There, internal party fights

escalated and the Supreme Court ruled that it couldn't present candidates in the 2019 elections. APC barons fear the same dynamic, triggered by local squabbles, reappearing in Edo. It could damage the party's national standing, which explains the rush of money and political stars to the Edo capital. ●

CONGO-KINSHASA

Fury greets Gertler report

The mining billionaire denies any link to online abuse aimed at an investigative consortium's report on money-laundering and grand corruption

Early last month, a joint investigation by news media and NGOs claimed mining magnate **Dan Gertler** had set up a money-laundering ring which apparently allowed him to evade **United States** sanctions imposed over bribery in Congo-Kinshasa. Immediately, an online onslaught of tweets and derogatory videos accused the report's authors of forgery, blackmail, being a criminal enterprise and damaging the Congolese economy in order to profit the billionaire philanthropist **George Soros**.

Gertler has denied being behind the attacks or having any prior knowledge. *Africa Confidential* has heard an audio recording of him promising to release material similar to that used in the videos.

The highly defamatory material attacking the investigation included a cartoon based on the footage of the US police officer kneeling on the neck of **George Floyd** as he died. In place of the policeman's face the cartoonist put that of Soros, and instead of Floyd's face there was a map of Africa. The caption

read, 'How long will the international NGOs keep walking on Africa's head? Africans, wake up!'

Other strident, professionally produced videos then accused Bloomberg News and Global Witness of interfering with Congo-K's successful mining industry at Soros's behest. According to the videos, Soros had ordered Global Witness, which is minority funded by Soros's Open Society Foundation, and Bloomberg News to weaken Congo-K so that Soros could take over its cobalt mines and thus boost the value of his investments in Tesla, the electric car manufacturer.

Another video accuses Global Witness of being a 'criminal organisation' guilty of forgery, blackmail and bribery. Still another accuses the Paris-based human rights lawyer **William Bourdon**, whose Platform to Protect Whistleblowers in Africa (PPLAAF) was

GERTLER'S CONGO CONNECTION

VENTORA DEVELOPMENT SASU
Account

FLEURETTE MUMI HOLDINGS LTD
Fleurette, a British Virgin Islands-registered company, moved to Congo-Kinshasa and renamed Ventora
Royalty payments

GERCO SAS
Owners: Gertler's wife and nine family members
New holding company

GLENCORE PLC
Joint venture partner of Gécamines
Partner, facilitating access to Congo's copper and cobalt
International representation on behalf of Kabila

CITIGROUP
Correspondent bank

AFRILAND FIRST BANK GROUP (Cameroon)
Subsidiary

AFRILAND (Kinshasa branch)
Account

EURASIAN RESOURCES GROUP (ERG)
Formerly Eurasian Natural Resources Corp. (ENRC)
Evelyne now a subsidiary of ERG
Account

GÉCAMINES
State-owned mining company
Coalition
\$75m for copper and cobalt deposits
Untraceable sources
Sent abroad

Dan Gertler
US sanctions imposed on him in 2017
Family friend
Gertler obtained over \$1bn worth of mining concessions, allegedly through bribery of Congolese officials
Gertler's apparent proxy

Shlomo Abihassira
Owns deposits \$172m (plus another \$2m?)
Abihassira withdraws approx. \$5m

RDHAGD SARLU
\$19m

DORTA INVEST SAU
\$28m

Evelyne Investissement SAU
Owns
Part owns
\$10m loan
Acquired rights to develop copper and cobalt permits bordering Glencore operations

Elie-Yohann Berros
Partner, facilitating access to Congo's copper and cobalt

Alain Mukonda
Employee, moved Gertler's companies from BVI to Congo

Pieter Deboutte
Head of Gertler's operations in Congo until at least 2017

INTERACTIVE ENERGY
Funds

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23 YEARS OF MINING CONGO FOR PROFIT

Dan Gertler has been the subject of growing controversy since he first arrived in Congo-Kinshasa in 1997, just after **Laurent-Désiré Kabila's** rebel forces ended the 32-year dictatorship of **Mobutu Sese Seko** (AC Vol 38 No 9). Gertler quickly befriended the new regime, becoming the gatekeeper to the country's most valuable copper and cobalt mines. He partnered with two of the largest mining companies on the London Stock Exchange, **Swiss**-based Glencore and **Kazakh** mining company Eurasian Natural Resources Corporation.

Both of these companies are now under investigation for corruption in their dealings with Gertler, whom the **United States** Treasury put under sanctions in December 2017 on the basis of its findings about corruption in Congo-K and his friendship with **Joseph Kabila**, who took over from his father after he was assassinated in 2001. The US said Gertler 'amassed his fortune through hundreds of millions of dollars' worth of opaque and corrupt mining and oil deals' at the expense of the Congolese state.

A year earlier, one of Gertler's main funders, New York hedge fund manager Och-Ziff, was fined \$413 million by the US Department of Justice and the Securities and Exchange Commission. Och-Ziff admitted knowing that its Israeli partner 'paid more than \$100m in bribes to DRC officials to obtain special access to' mining concessions. Gertler was not named and he denies this refers to him.

The December 2017 US sanctions were a major problem for Gertler, barring him not just from doing business in the US or with US companies, but also from using US dollars in international transactions (AC Vol 61 No 10). By October 2018 he had hired lawyer **Alan Dershowitz** and former FBI director **Louis Freeh** to lobby for him to be removed from the sanctions list.

The investigation by the consortium of media and campaign groups, which also included the Paris newspaper *Le Monde*, revealed Gertler's alleged ties to a money-laundering network run out of the Kinshasa branch of the **Cameroonian** bank Afriland.

The investigation claimed that just before sanctions were introduced, Gertler's long-time Congolese employee **Alain Mukonda** moved Gertler's companies from the British Virgin Islands to Kinshasa. At the same time, a network of associates the investigation says is strongly linked to Gertler also set up companies and bank accounts in Kinshasa, also at Afriland. The investigation detailed a merry-go-round of intricate transactions, in which proxies and front companies appeared to act for Gertler, suggesting this allowed him to carry on business as usual.

One effect was for Afriland's Kinshasa branch's turnover to multiply by nearly five within a year. The bank accounts linked to Gertler composed a third of the branch's deposits. All those concerned, including Gertler and Afriland, deny any wrongdoing and accuse the journalists and campaign groups of using fabricated documents.

Gertler's legal representatives insist that the allegations published by the investigative consortium including Global Witness, Bloomberg News, PPLAAF and others are 'very serious, false and highly defamatory'. They also say that their client 'was perfectly entitled to seek to dissuade Global Witness/PPLAAF and their media partners from publishing very serious, false and highly defamatory allegations about him.

They say that a journalist from *TheMarker* encouraged a 'potential witness to provide false evidence about him'. They also say that bank records used in the consortium's report were stolen and falsified. ●

used in the videos have been presented as evidence in a libel claim by Gertler in Tel Aviv, a criminal complaint in Paris and an article in Israel's biggest newspaper, *Yedioth Ahronoth*.

TRAPS

While attempts were being made to trap journalists into breaking the law, others were trying to compromise Bourdon by making it look as though he had secretly taken money from the **United Arab Emirates**.

'Over the last 40 years I've received threats – death threats – and smear campaigns but I've been discreet. Now it's the first time that I've been the object of such an orchestrated campaign in different countries: first to prevent me from publishing the report, and secondly to discredit me,' said Bourdon.

One of the later English-language videos explicitly attacks Bourdon. 'What's the best way to hide evil?' the video asks. 'Hiding behind the mask of a saint'. It alleged that Bourdon 'transferred dirty Emirates money to his pockets through his foundation', and produces a shaky snippet of a recording from Bourdon that proves nothing of the kind.

The recording of Bourdon was made by a convicted fraudster and confidence

trickster, **Noel Dubus**, who met Bourdon in early 2019.

Bourdon said he had met Dubus before, in 2013. On that occasion, Dubus told Bourdon he had been tasked by the **Equatorial Guinea** authorities to 'compromise me'. Dubus added that he had been tasked to find out the daily routine of his children, who were then in their mid-teens, but that 'he would not follow up on these tasks'. Bourdon told *Africa Confidential* that 'in a nano-second I knew that I couldn't have anything whatsoever to do with him'.

SURPRISE MEETING

In 2019 Bourdon met with a friend, who surprised him by bringing Dubus along. Dubus proposed that Bourdon take on work commissioned by General **Khalifa Haftar**, head of the forces that control eastern **Libya**. 'He talked and I listened to him and it's true that I pretended to be interested to know just how far he'd go,' but that was the end of it, said Bourdon.

Bourdon also told us that a few weeks before the publication of the investigation lawyers representing Gertler and Afriland – the bank at the centre of the apparent money-laundering – had warned him about

the recording, telling him 'that Gertler would put everything in operation, including a media campaign to discredit the authors of the report' if it was published. He said the warnings came from **Eric Moutet** of the Paris bar, who represents Afriland, and former president of the Geneva Bar Association **Marc Bonnant**, a lawyer for Gertler. 'In another letter to my lawyer Bonnant confirmed the existence of the recordings,' said Bourdon. 'I gathered from information they gave me on this recording that it was the recording of my meeting with Dubus.'

Bonnant make a statement to *Africa Confidential* that if he did have a meeting with Bourdon it would be covered by professional secrecy, which he would not break. He also says he made no threat to Bourdon and that if he had done so Bourdon would have reported it to the authorities, which as far as he knew he had not, adding that he maintains 'harmonious relations' with him.

Moutet, who used to sit on the board of the human rights and anti-corruption organisation Sherpa, which was founded by Bourdon, denies having threatened him with any recordings.

Once the efforts to solicit Bourdon

and *TheMarker* journalists to betray their principles and ethics failed, and the investigative report was published, the people behind the videos tried to discredit it elsewhere in the media.

They fed the material to reporters at the mass-circulation Israeli newspaper *Yedioth Ahronoth*, which publicised the allegations against *TheMarker* after former Israeli defence minister **Avigdor Lieberman** made a complaint against the newspaper to the Israel Press Council. Lieberman, who cited the manipulated recordings in his complaint, featured in *TheMarker*'s investigative feature.

Bourdon was also contacted by a *Yedioth* reporter in the days before the investigative consortium published its

findings. The reporter made exactly the same allegations that featured in the later videos, and cited the same audio snippets of Bourdon. That report was not published after Bourdon's lawyer strongly advised the paper that the report was untrue.

NEW VIDEOS

On 22 July Bloomberg News added to the revelations of the earlier part of the investigative collaboration by publishing a new story on how Gertler would profit from a mining deal between Tesla and the commodities giant Glencore. New videos quickly appeared online, purportedly showing one of the Bloomberg journalists behind the story denigrating his own news organisation.

But in the original footage from 2018, still available online, the journalist says nothing of the kind: the audio has clearly been spliced in from elsewhere, and the words in the subtitles do not even match those supposedly spoken.

Another element of the fight-back against the allegations is a criminal complaint by Afriland in Paris filed by Moutet, accusing PPLAAF and Global Witness of blackmail and corruption. Central to the complaint are witness statements from hitherto unknown Congolese campaign groups. Two of the testimonies centre around supposed meetings in 2016 with a Global Witness campaigner who, in reality, had moved on from the organisation some six years earlier. ●

SUDAN

Realpolitik, with plenty of guns

The government and many armed groups say a ground-breaking peace deal is possible within weeks. But they are yet to convince the sceptics

Suleiman al Dabailo, chairman of Sudan's Peace Commission, is talking up the progress made in power-sharing negotiations between the transitional government and the armed groups from the Darfur, South Kordofan and Blue Nile regions.

At a briefing for Arab diplomats in Khartoum on 27 July, Al Dabailo said that the government and the armed groups had agreed on most of the key issues apart from 'security arrangements' in Darfur. This is to be relayed to the 'Friends of Sudan' video-conference, due to be hosted by **Saudi Arabia** on 15 August.

That event is to help raise funds from the Gulf states in the wake of the disappointing conference hosted by **Germany** on 25 June which elicited pledges worth less than a quarter of the US\$8 billion that Prime Minister **Abdallah Hamdok** says the country needs to relaunch its economy.

PROGRESS

Most sources, including some of the armed groups, agree that there has been progress on power-sharing but also point to substantial difficulties ahead on how – or whether – to integrate the armed groups into the national forces. At least two of the armed groups are holding out for more concessions (see box).

Launched last September, the talks agreed a formal negotiating framework in January covering the integration of the armed groups into the national

military forces and representation for the armed groups in the three tiers of government: the Sovereignty Council (the highest authority in the country), the council of ministers, and the 300-strong legislative council, which is to play a lead role in writing the new constitution.

Timing is critical: a stalemate could block other political changes, further weaken the economy and derail the transitional government. Hamdok wants a peace deal to counter criticisms he is leading a deadlocked government (AC Vol 61 No 6).

At the same time, the Sudan Armed Forces (SAF) under Lieutenant-General **Abdel Fattah Burhan** and the Rapid Support Forces under **Mohamed Hamdan Dagalo 'Hemeti'** want to strike a deal while they still dominate most of the institutions. Further delays could give ambitious officers, already unhappy about the prospect of the military losing some power, a pretext to mount a putsch against Hamdok.

In a move to assuage the armed groups, on 5 July Hamdok dismissed police force director general **Adel Mohamed Ahmed Bashayer**, who has been accused of human rights violations in Darfur and East Sudan. He has also appointed, after extensive soundings, 18 civilian provincial governors to replace the military incumbents.

The armed groups, with two exceptions, calculate that the time has come to strike a deal and obtain positions in the state apparatus to build

up constituencies ahead of elections due in 2022. Yet by joining the national armed forces, these groups would be losing their main negotiating card as they launch new political parties.

The elections, due in 2022, are to be held under power-sharing arrangements agreed by the Transitional Military Council and the main opposition alliance, the Forces of Freedom and Change (FFC), after the ousting of President **Omer el Beshir** in April 2019 (AC Vol 60 No 10).

Some agreements have been struck on resource and power-sharing, as well as on autonomy for the Blue Nile and Kordofan regions.

Al Hadi Idris Yahya, chairman of the Sudan Revolutionary Forces (SRF), said his coalition would get three seats in the Sovereignty Council and 25% of the seats in the legislative council, which is yet to be established. Two rival groups dispute these claims.

RED LINE

There is plenty more work to do. Some of the armed groups want to extend the transitional government's remit to four years, which has been a red line for the military, who want a shorter transition and to relinquish less control to the civilians.

Complicating matters, a series of attacks by militias across the country last month in Darfur and the Nuba Mountains raised fresh doubts about the military's willingness to agree to the next stage of the transition. After a brutal attack by over 100 well-armed militia fighters on a displaced persons camp at Fata Bornu in Darfur on 13 July, UN peacekeepers visiting the area reported that government troops meant to be guarding the area had left.

Locals said that the regional commander Major General **Malik Al Tayeb Khojaly**, accused of siding with

MILITARY MUSCLE, NEGOTIATING NOUS

The choice of **Mohamed Hassan al Ta'aishi** as speaker of the government team negotiating with the armed groups was shrewd. With a background in civilian opposition politics, he was a former leader of the Khartoum University Student Union. A Darfuri with strong empathy for his home region, he can connect with the Darfur armed groups.

Watching developments closely is **Mohamed Hamdan Dagalo 'Hemeti'**, the number two on the Sovereignty Council and commander of the Rapid Security Forces militia (AC Vol 60 No 12).

Although he faces accusations of atrocities in Darfur, where he led a unit of the *Janjaweed* militia, Hemeti refers to himself in the negotiations as the man 'representing the Darfur masses' although we hear he has been outmanoeuvred by the Darfuri armed groups who rejected his overtures to strike a side-deal with him.

Abdelaziz Adam el Hilu's Sudan People's Liberation Movement-North (SPLM-North) is by far the most powerful of the armed groups at the table (AC Vol 61 No 3). It concluded a ceasefire in the Nuba Mountains that was extended in early July for another seven months but El Hilu's key demands are problematic for the government: Sudan becoming a secular state or self-determination for the Nuba Mountains, where he has been fighting for more than a decade.

An official move to make Sudan a secular state would need a constitutional conference, which could only take place after elections, given the strong reaction it could provoke from Islamists and the 'deep state'. Self-determination for the Nuba Mountains would be opposed by many in Sudan, including some of those involved in the 2019 uprising against Beshir.

Abdel Wahid al Nur, eponymous leader of the SLM-AW, who has lived in Paris for years, says he will negotiate only when Khartoum has a civilian government (AC Vol 59 No 12). People close to the government negotiating team say that Nur was ready to come to Khartoum thanks to contacts with the **French** government.

But then he changed his mind, even after money and travel documents were made available for him and his team. This may cost him support among his constituency, the Fur in the camps for internally displaced people and even among his military commanders. Many believe it is now time to negotiate, before the opportunity closes.

For now, he has aligned his group with **Abdelaziz Adam's** SPLM-North which is demanding that the government's military representatives withdraw from the talks, leaving Prime Minister **Abdalla Hamdok's** civilians to run them.

The Sudan Revolutionary Front (SRF) was initially meant to represent a national alternative with movements based in the North, Centre, East, Blue Nile, South Kordofan and Darfur (AC Vol 61 No 11). But some of these 'movements' had only a notional existence, according to the government side.

It was also riven by internal disputes. The SPLM-North faction based in the Blue Nile, led by **Malik Agar** and **Yasir Arman** want a settlement without losing face and have been optimistic about the prospects for that.

Appointed chairman of the SRF last September, **Al Hadi Idris Yahya's** position mirrors that of Malik and Yasir. He argues that there needs to be hard-headed decisions on the formation of the joint forces (that is armed groups and government military), the period needed to restructure the army and the remit of the joint forces.

Minni Minnawi's two-year term as chairman of the SRF ended last year. He has formed the Sudanese Liberation Movement-Minni Minnawi (SLM-MM). Both it and the Justice and Equality Movement (JEM), under **Jibril Ibrahim's** leadership, are pushing for positions as governors, military officers and, perhaps, ministers.

The JEM wants to become a political party and is reconnecting with Islamists in Khartoum who could make up the new rank and file of the movement, their traditional Zaghawa supporters being too few in Khartoum, though it could still get funding from wealthy Zaghawa businessmen. ●

the Arab militias, had ordered the withdrawal of the protection forces the day before.

As negotiations between the armed groups and Sovereignty Council move ahead, some in the civilian FFC fear they will lose out within the council of ministers and the sovereignty council and the executive.

The rebel movements are expected to get up to six ministers in the council of ministers, between six and 12 provincial governorships, and at least four seats on the Sovereignty Council. A possible compromise solution would be to expand Hamdok's cabinet and the Sovereignty Council.

Although the negotiations with the armed groups are led by the joint military-civilian transitional government, the armed forces have a powerful voice, if not an effective veto. But for all sides, the sense that this is the most propitious time to reach a settlement could make a deal possible within months. ●

LIBYA

Rivals fight for control of Sirte

A test of strength over Gadaffi's home town and local oil assets threatens to become a regional war pitting Turkey against Egypt

The conflict in Libya started as a civil war, became a proxy war, and is mutating again as it reaches a potential new watershed. With battle lines now drawn up around Sirte, home

town of the former dictator **Moammar el Gadaffi**, and Jufra airbase, 220 kilometres further south, the conflict is on the brink of becoming a regional war pitting **Turkey** against **Egypt**.

Turkey and the Tripoli-based Government of National Accord (GNA) continue to insist there will be no negotiations unless the eastern-based Libyan National Army of General **Khalifa Haftar** pull out of both places. The LNA, backed by Egypt and the **United Arab Emirates**, and reliant on the Kremlin-linked **Russian** private security contractor, the Wagner Group, is determined to stay put. It fears the loss of both places would open the way for the GNA to move on the country's principal oil fields further east (AC Vol 61 No 12).

Throughout July there have been regular reports of Russian and Turkish ships and plans delivering yet more arms and hundreds more fighters ahead of an expected GNA offensive against one of the two places (AC Vol 61 No 15). Desperate international attempts are being made to prevent a new descent into destruction and the possible partition of the country.

PUSH FOR PEACE

United States diplomats have been trying to persuade both Libyan sides to de-escalate and negotiate. So too have putative peacemakers **Morocco** and **Algeria**. Morocco invited the presidents of the Tobruk-based House of Representatives, **Aguila Saleh**, and rival Tripoli-based State Council, **Khaled Mishri**, for talks last month.

Following the failure at the beginning of July of Haftar's 15-month project to capture Tripoli and western Libya, Saleh has replaced him as the principal political player in the east.

Although Saleh and Mishri stayed defiantly apart in Rabat, both had already agreed that the Libyan Political Agreement signed at the Moroccan resort of Skhirat in December 2015 needed to be amended as part of ending the divide (AC Vol 57 No 2). Both agree that the presidency council should have just three members – a president and two vice presidents, one from each of the country's three historic regions – and that there should be a new unity government headed by a separate prime minister. The talk in Rabat during their visit was of a 'Skhirat 2'.

Morocco's efforts are expected to continue and, significantly, are

supported by Algeria, albeit quietly at present. It, too, has been talking to both sides. Despite being arch-adversaries, both are deeply opposed to any outside military intervention in Libya – by the Turks as non-Arabs, but also by the Egyptians. Both fear Libya's possible partition as a result. They also want greater Arab League and African Union involvement in finding a solution.

A Moroccan-Algerian initiative would be a major development and be assured of strong backing from other Arab countries, from the African Union, the European Union and United States and the United Nations, not least because of none of them would want to undermine the first major joint venture between the two in decades. As it is, there are reports of UN collaboration and endorsement. The acting UN special envoy to Libya, **Stephanie Williams**, is reported to be planning a gathering of several dozen prominent Libyans to discuss a possible 'Skhirat 2'.

Hopes of a peaceful outcome were bolstered by a statement from Turkey and Russia on 22 July agreeing that there could be no military solution to the Libyan conflict, and that there had to be a Libyan-owned political process facilitated by the UN. It was immediately greeted as a breakthrough by optimists and by pro-LNA media as evidence of a climbdown by Turkey. But Turkey said the same at the Berlin Conference on Libya in January and then promptly started sending fighters and weapons, and even now, while talking peace, both it and the Russians continue to mobilise for war around Sirte and Jufra.

Moreover, while Turkey and Egypt want to avoid direct confrontation in Libya, it isn't only up to them.

Although many Libyans fear they have lost control of their country to outside powers, it has not created an anti-war movement and almost all key Libyan players, both in the west and the east, remain bitterly opposed, insisting on impossible preconditions to any negotiations, with those in the west still absolutely determined to capture Sirte and Jufra before any talks.

They are pushing the Turks to action, and plenty of signs that the Turks are also determined to see Sirte and Jufra fall. Turkey's plans to search for oil and gas in the eastern Mediterranean and to block the EastMed gas pipeline would be strengthened considerably by a pro-Ankara government being in charge of eastern as well as western Libya. The exclusive economic zone claimed by the GNA at Turkey's instigation, and which the latter wants to explore, is off eastern Libya (AC Vol 61 No 3).

The situation, particularly around Sirte, increasingly resembles the classic paradox: what happens when an irresistible force meets an immovable object? The belief in western Libya is that unless the LNA withdraws there will be an attack. In eastern Libya, the belief is that Russian and Egyptian defences will deter Turkey from action and ensure Sirte and Jufra hold.

DEMILITARISED

What few appear to consider, though, is if Turkey and Russia agree to a demilitarised zone in central Libya, from Sirte and Jufra to Ajdabiya. The idea is supported by the US which, if the Turks and Russians agree, would certainly be able to pressure the Egyptians to accept, even if the LNA's other main backer, the UAE, disapproves. ●

COVID-19/AFRICA

Pandemic prospects

Cases are increasing rapidly but lockdown policies have been easing and there is little public or political appetite to tighten them again

With Covid-19 positive cases doubling in the last two weeks, Africa is expected to notch up its millionth patient in the coming days (AC Vol 61 No 15).

'We are at a pivotal point,' said Dr **Matshidiso Moeti**, World Health Organisation (WHO) Regional Director for Africa on 30 July. 'The virus has spilled out of major cities and spread into distant hinterlands. Countries need to keep pace and urgently decentralise their key response

services. We can still stop Covid-19 from reaching full momentum, but the time to act is now.'

With only five countries (**South Africa**, **Egypt**, **Nigeria**, **Ghana**, and **Algeria**) accounting for 75% of the caseload, and 37 countries still registering less than 5,000 cases, **John Nkengasong**, Executive Director of the African Centres for Disease Control, senses that there is still hope that transmission can be managed in the remaining countries.

'When you have large numbers, contact tracing becomes impossible,' he says, 'but for so long as numbers are low, you have a chance of controlling transmission.' Others feel that he is being over-optimistic, pointing to failures in testing and reporting as a more likely explanation for the small numbers in a large number of nations. Africa's youth is also a factor with over 50% of its population under the age of 20.

According to Nkengasong, the number of tests carried out in Africa reached 8.3 million at the end of July, with a 14.1% increase in the final week. 'But to be ahead of the curve we really need to get this figure up to 13.1m, or 10% of the population.'

The gold standard for testing remains the PCR (polymerase chain reaction) test that requires a molecular lab and takes about two days. At the start of the

epidemic very few facilities existed, and scale-up has been impressive, but it is still far short of optimum. There are a multitude of rapid tests kits for Covid-19 on the market, but they are problematic.

Lagos State's Commissioner of Health, Professor **Akin Abayomi**, has taken a proactive approach to the booming private testing trade by banning the sale or use of such tests 'unless validated by the State'. The Commissioner explained that the State Government had considered the use of Rapid Diagnostic Test kits as part of the strategies to expand its testing capacity but noted that so far none of the RDT kits submitted for validation passed the required test.

TIGHTER

With lockdowns easing, borders reopening, international flights recommencing and the four-day Eid el Adha Muslim feast, there is significant concern that the upticks in numbers seen in several countries might soon mean a tightening rather than loosening of controls. But to what end? There is a realisation among governments that it is near impossible to lock down a population where 65% work in the informal sector.

South Africa had a very tight initial lockdown that held the virus in check ostensibly while the health service was preparing to face the challenge. But it was at a huge economic price that almost feels unnecessary now that the full fury of the virus has been unleashed, albeit two months later. The architect of the policy was the respected South African epidemiologist **Salim Abdool Karim**.

'Of course we hoped that South

Africa would have some sort of "mojo" which would protect it better than elsewhere, but of course reality was that we were no different. When it came to explaining to the nation that easing lock-down would probably mean an exponential growth in cases, it was hard,' he says.

Interestingly, while the official South African death toll from Covid-19 stands at 8,200, a study published last week by the SA Medical Research Council shows more than 17,000 excess deaths in the period from 6 May to 14 July compared to data from the previous two years. By mid-July there were 59% more deaths from 'natural causes' than would normally be expected. The conclusion is that either the Covid-19 count has been under-reported, or that other diseases like HIV and tuberculosis had taken an additional toll as health interventions were redirected to cope with the pandemic.

The expectation is that most African governments will try to ride out the storm. Locking down is becoming less of an option as people realise that economic suffocation only delays the inevitable. 'We're all in this together,' says Nkengasong.

'This is not a time to panic and fear, but to do things right. We don't have a choice. We have to win,' he adds, noting that hand-washing, mask-wearing, testing, tracing and isolating remain the most potent weapons.

Meanwhile, strong opinions are starting to emerge about how Africa sits when and if an effective vaccine emerges.

'We were compromised by the distorted international market (for

Personal Protective Equipment) and diagnostic tests initially, I just hope we will not face the same problem when it comes to vaccines,' said Moeti.

Already the spectre of vaccine nationalism is raising its head with both **United States President Donald Trump** and **United Kingdom Prime Minister Boris Johnson** hailing their advance purchases of millions more vaccine vials than they have people (AC Vol 61 No 8).

'INFODEMIC'

And then there is the complication of vaccination delivery (AC Vol 61 No 12). A campaign of this magnitude simply hasn't been done before in Africa. Polio was difficult enough but it only involved vaccinating children in specific regions. Covid-19 affects everyone and is in an era of vaccine scepticism, and the insidious use of social media. The WHO and a number of collaborating institutions recently held a one-week virtual conference on 'Infodemiology', the pre-meeting papers for which described an infodemic as something that 'cannot be eliminated, but can be managed'.

Preparations are being made to counter mis- and disinformation campaigns on Facebook and other social media outlets.

The International Federation of Red Cross and Crescent Societies is leading the campaign in Africa. Systematic monitoring of social media leads to a weekly report to inter-agency working groups in three regions around Africa. They evaluate the trends, and prepare and send counter information as indicated. ●

MALI

The Presidents' club backs Keita

An emergency summit has given full backing to the President but leaves grave doubts about his chances of forming a national unity government

The 27 July online summit of West African leaders has given full, emphatic backing to President **Ibrahim Boubacar Keita** (IBK) in his confrontation with the opposition and threatened sanctions on anyone who tries to remove him. This will do little to unlock the weeks-long political crisis: the opposition has rejected the proposals.

The Economic Community of West African States (Ecowas) leaders' position won strong backing, later the same day, from the UN Security Council (AC Vol 61 No 14).

IBK's fellow heads of state were directing their threats at the *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP) opposition coalition and its charismatic ally, the conservative imam **Mahmoud Dicko**.

The support of the regional leaders gave Keita the breathing space to reconfirm his prime minister **Boubou Cissé**, who rapidly announced a reduced, six-member cabinet to run the country while he woos other factions to join a national unity government.

While rejecting pressure for

Keita to step down, the summit made concessions he will not like. It recommended a re-run of the March-April legislative elections in the 31 constituencies whose results were changed by the Constitutional Court to the president's advantage, triggering the demonstrations which have claimed 11 lives, according to the government, or 23, according to the opposition (AC Vol 61 No 7).

This could put the seat of the parliamentary Speaker, presidential protégé **Moussa Timbiné**, in jeopardy and deprive IBK of a parliamentary majority.

The headline of the summit was that Keita, who accused Dicko of wanting an Islamic republic, has the unflinching support of his fellow presidents. They see his removal as a threat to regional stability, an undesirable precedent. If agreement could not be reached on nominees for a re-established Constitutional Court, the

Ecowas leaders said that Keita should have the final word.

If the summit recommendations are followed in full, Keita would remain in office but with less authority. If the re-run elections deprive him of control of parliament, as seems likely, he may have to accept a unity government that is more broad-based than he would like.

COMPROMISES

Cissé's reshuffle suggests some compromises: although the new justice minister, **Kassoum Tapo**, is a fierce defender of the President, the new security minister, General **M'Bemba Moussa Keita**, has a reforming background. New Finance Minister **Abdoulaye Daffé** is close to the Chérif of Nioro, **Mohamed Ould Bouyé Haïdara**, the Sufi leader who backed the main opposition candidate **Soumaïla Cissé** in the 2018 election (AC Vol 59 No 16).

The M5-RFP has already rejected the summit package, promising new protests. Ecowas will be hoping that with the approach of the *Tabaski* (*Eid al Adha*) festival on 30 and 31 July, most Malians will focus on religious and family matters, cooling temperatures, while Cissé quietly solicits people to join the unity government.

On 23 July a procession of regional heads of state gathered in Bamako: President **Muhammadu Buhari** (Nigeria), **Mahamadou Issoufou** (Niger), **Nana Akufo-Addo** (Ghana), **Alassane Ouattara** (Côte d'Ivoire) and **Macky Sall** (Senegal). Keita proved willing to concede most things other than his position as president, but the visitors could not persuade the M5-RFP to budge.

Former Nigerian President **Goodluck Jonathan** and fellow Ecowas mediators had already proposed a unity government – 50% chosen by the president, 30% by the opposition and 20% by civil society – and reestablishment of the Constitutional Court on a fresh basis, as well as an enquiry both into the killings of protestors by security forces between 10 and 12 July. But the M5-RFP and Dicko immediately rejected this.

M5-RFP leaders feel that by insisting that the president must stay – because he was democratically elected to a second term in 2018 – Ecowas is conniving in the survival of a rotten political power structure.

Much as they may privately criticise Keita's inconsistency and politicking, the Ecowas leaders refuse to contemplate any solution involving his removal

from office. President Issoufou said, 'Without any ambiguity, the departure of President IBK is a red line for Ecowas. To force the president IBK to quit now, when he has been democratically elected by the Malian people, would be viewed by Ecowas as unconstitutional.'

The Ecowas leaders may want to exploit a split between the hard-line M5-RFP leaders who want Keita to go, and Dicko, who insists he is not asking for Keita's removal.

A 30 June opposition memorandum floated the possibility of an opposition-nominated prime minister, with enhanced powers and shielded from presidential control, to lead a transition to reform.

But Ecowas and its partners see little point in replacing the diligent Cissé with yet another in Mali's long series of weak premiers. They hope that yesterday's heavy threats will pressure at least some of the opposition into exploring the scope to join Cissé in creating a broad-based government. But in the current atmosphere none will want to be accused of selling out.

Any serious compromise may require the protective umbrella of a clear endorsement by Dicko. At this stage the imam's real agenda, short or long term, remains far from clear. ●

NIGERIA

Groaning about zoning

A proposal that the President's election should be based wholly on merit – not rotation between north and south – has caused a storm

Politicians and pundits in Nigeria have shown a rare unanimity in outrage at comments by **Mamman Daura**, widely regarded as President **Muhammadu Buhari's** most influential advisor, about the rotation of power between north and south in an interview with the BBC Hausa Service on 31 July (AC Vol 61 No 15).

'Rotation has been done once, twice and three times; it is important that this nation should be united as one,' said Daura. 'The most qualified, competent should be elected and not someone who comes from a particular zone.'

Everything in politics is now seen through the prism of what happens in the next national elections in 2023. Many politicians understood Daura, a former editor of the *New Nigerian*, nephew and lifelong confidant of Buhari, to be suggesting that national leadership should not automatically switch to the south when the President,

from Katsina in the far North, completes his second term in three years' time.

The intense reaction illustrates the political and constitutional sensitivity of regional rotation in Nigeria. The principle of 'federal character', under which key appointments are shared between regions and states, is well established.

But rotation at the top is more delicate: in 2011 **Goodluck Jonathan**, decided to contest, arguing that the idea of a 'gentleman's agreement' that the Presidency should return to the north following the death in office of **Umaru Yar'Adua** had no standing in law.

Ohanaeze Ndigbo, a political association representing the Igbo people of south-east Nigeria, was fastest out of the blocks to dismiss Daura's proposal. Its members point out that the south-east has not produced a head of state since **Nnamdi Azikiwe**

became independent Nigeria's founding president in 1963.

Pushing their respective cases, **Afenifere**, representing the Yoruba in the south-west and the Middle Belt Forum, argued that northern politicians, having benefited from the rotation principle, could not decide when it should be thrown overboard.

Others have suggested that there are and have been few gentlemen in Nigeria's cut-throat politics anyway. Daura's comment relied on some observable realities: since the restoration of civilian rule in 1999, rotation has proved a mechanism that has had some success in appeasing majority elites from separate regions. But rotation has produced a much more mixed record on governance and effective administration.

IMBALANCE

The pre-occupation of the political elite with what might happen in 2023 highlights an imbalance between the acquisition of power and the more immediate demands of delivery.

Buhari's election platform was based on three pledges: to improve security; to diversify the economy; and to confront corruption. The programme has been hit this year by the multiple challenges of the international health

emergency and the death in April from Covid-19 of **Abba Kyari**, who had been Buhari's Chief of Staff since 2015 (AC Vol 61 No 9).

Ibrahim Gambari, Kyari's replacement and a veteran diplomat, has taken his time to recalibrate the administration (AC Vol 61 No 12). A former UN diplomat and peace envoy, aides say he is personally most engaged with initiatives to improve security in the Sahel and north-east Nigeria, where Islamist insurgents are intensifying attacks, and in central Nigeria, marked by sporadic clashes between nomadic cattle herders and settled farmers.

Where the presidency had sought to lead on key areas of economic reform, including power and oil and gas, efforts to build consensus have slowed decision-making, sharpened rivalry between competing factions and delayed appointments.

A revived Petroleum Industry Bill, the much-delayed thorough reform of the oil industry, is now due 'before the end of the year', according to **Timipre Sylva**, Minister of State for Petroleum Resources. We hear the bill was signed off by President Buhari in March (AC Vol 61 No 10). According to one source, 'there are no issues with the content of the legislation, it's all about who now controls the transition.'

Some presidency sources believe a new urgency could be injected into government by a reshuffle to sideline at least some of those ministers most pre-occupied with stuffing pre-election war chests. President Buhari has hitherto hesitated over changes in government and other areas, including the military high command.

The National Assembly, where Buhari had enjoyed a comfortable majority since last year's national elections, is now questioning the

President's refusal to dismiss military commanders for their serial failures to counter the Islamist insurgency in north-east Nigeria.

Other bodies, including the Economic Advisory Council, inaugurated last October under **Doyin Salami**, have been left more or less moribund after resistance from rival political networks.

COMPLEX

Most of Daura's remarks in the BBC Hausa interview were focused on his friend, **Ismaila Isa Funtua**, a veteran politician, publisher and businessman, who died on 20 July. But the fury around his comments on rotation belie more complex fault lines over the ambiguous relationship between merit and political sponsorship from regional power brokers – and the prize of the presidency in a culture that typically kicks upwards all responsibility. ●

SOMALIA

Clearing a path

Farmajo sacked his premier for not supporting his plan to postpone fair elections further and prolong his time in office

Prime Minister for over three years, **Hassan Ali Khaire** was unceremoniously sacked on 25 July after an overwhelming parliamentary vote of no-confidence. EU External Affairs Commissioner **Josep Borrell** said the vote was unconstitutional and the **United States** embassy expressed its dismay.

Khaire's fall is a consequence of the stance he took over the meeting at Dhusamareb two days earlier, at which heads of the Federal Member States agreed with President **Mohamed Abdullah Mohamed 'Farmajo'** that the country wasn't ready yet for elections based on one person, one vote (AC Vol 61 No 15).

The sacking signals that Farmajo is unlikely to compromise on the elections and that his presidential mandate – and thus those of the MPs -- will be extended.

This is not merely a difference in policy. The **United Arab Emirates** has been financing most of the FMS leaders, while **Qatar** has disbursed large sums to hold on to the only president friendly to it in the Horn of Africa. No Gulf state is any more interested in democracy in Somalia than at home.

The dispute highlights the role of **Fahad Yasin**, who is Director of the

National Intelligence and Security Agency (NISA), a Salafist and the gatekeeper for Qatari funds (AC Vol 59 No 19). Last year, Farmajo and Yasin wanted to sideline **Ahmed Madobe**, the Jubaland president, and have someone loyal to them elected there (AC Vol 61 No 10). Khaire disagreed and kept on working with Madobe's ministers.

He had an argument with Yasin after a fight in Beled Hawa that was caused by NISA in March. In April the distrust between them increased when Khaire refused Yasin's request for him to lead a yet-to-be-founded presidential political party, currently nicknamed *Nabad iyo Nolol*.

STOPGAP

After the vote against Khaire, Farmajo elevated the deputy Prime Minister, **Mahdi Mahamed Guled 'Khadar'**. Being Isaaq (Eidegalle) and educated in Addis Ababa, Khadar has no Mogadishu constituency of his own and will be completely reliant on the President. Due to the Somali system of carving up jobs according to clan allegiance, he has to be replaced sooner or later by a Hawiye. There will be plenty of candidates, though the huge majority of that clan is opposed to Farmajo. Increased tension, and even violence could well result in

Mogadishu in coming weeks.

Khaire is a former Horn of Africa director for the Norwegian Refugee Council and has dual **Norwegian**/Somali nationality. From 2013 until his nomination as prime minister, he was also executive director of the controversial company Soma Oil and Gas (AC Vol 56 No 22).

As premier he worked hard to build a state bureaucracy for government departments and set up a chain of command in an administration where most appointees believe they are their own masters. He even succeeded in reopening friendly relations with the IMF. It is to be seriously doubted that his successor can be as effective, due to his lack of independence.

On the other hand, Khaire was a party to the authoritarianism which has now claimed him. For his first two years in office he fully subscribed to Farmajo's policy of resisting the autonomy of FMSs and working against decentralisation, as well as freedom of expression.

He amended this style in 2019 while introducing the National Development Plan and the Debt Relief Programme, which were heavily scrutinised by the donors. He used to be criticised by other Somali political actors for arrogance, asserting his 'technocratic' qualities and his poor political skills. Some 231 MPs voted for him in March 2017 so he clearly did little to maintain a popular base.

Rumours about corruption swirled around him but they always do about people in such a position and no convincing evidence has yet appeared. It remains to be seen if he will maintain his political ambitions in the future. ●

POINTERS

Kenya

FROM A GRATEFUL NATION

■ Not content with being among the world's best-paid politicians, Kenyan lawmakers have ensured that their predecessors are also amply rewarded for their service. On 5 August, after 10 years of debate, MPs awarded themselves and their former colleagues a massively increased life-long pension.

The reform to the Parliamentary Pensions bill will give around 375 former MPs who served between 1984 and 2001 a threefold increase in their monthly pension to around 100,000 shillings (US\$1,000). Two-term retired MPs will be entitled to a lump-sum of Sh7 million (\$70,000), taxed at 30% and a monthly pension of Sh118,000. The pay-outs will be backdated to July 2010.

Currently, only those who served for at least two terms from 2010 are pensionable, and are taxed at 1.1%.

The debate on keeping ex-politicians in the lifestyle to which they have become accustomed dates back to a 2009 report by the Akilamo Akiwumi Task Force, which made a series of proposals on MP pay and pensions. In 2011 a bill to implement generous pension schemes was rejected by then Finance Minister **Uhuru Kenyatta** as unaffordable, and the matter was left largely untouched until last year when the National Assembly's Finance Committee prepared a new bill.

The Parliamentary Budget Office has estimated that if the Bill becomes law, MP pension costs will rise to Sh450m per year (\$4.5m). The Finance Committee said last November that the reforms would 'enable them [former MPs] to earn respect from the public as former leaders and also accord them some dignity'.

The lengthy delay means that taxpayer will not have to take on the full liability. Some 130 of the eligible MPs have since died and their dependants will be entitled to about half of the monthly pay.

The timing of the vote, however, when millions of Kenyans face heavy losses in income as a result of lockdown measures to control Covid-19, seems unlikely to increase public respect for their privileged parliamentarians.

Sierra Leone

POLLS BOSS ROW

■ Two years after bitterly disputed and tight presidential elections, political leaders have divided along party lines over the appointment of the National Electoral Commission's (NEC) new head.

Mohamed Konneh was appointed by President **Julius Maada Bio**, who decided

against reappointing **N'fa Allie Conteh**, who presided over the 2018 polls that brought the president into office (AC Vol 59 No 9).

During a heated parliamentary debate on 28 July, the opposition All People's Congress (APC) complained that Konneh was an ex-member of the ruling Sierra Leone People's Party, arguing that the constitution did not allow anyone to lead the NEC unless they had resigned from public office at least one year before their appointment. Konneh was head of the country's Financial Intelligence Unit until his appointment, having previously worked at the African Development Bank. The SLPP denied Konneh was a party member and that other political parties had not been consulted.

One other opposition party, Coalition for Change, said it was consulted. Their House Leader, **Saa Emerson Lamina**, backed Konneh. The next day, the party sacked Lamina from that post and from parliamentary subcommittees. Lamina has vowed to stay put.

The APC party has also gone after one of its own lawmakers, former Minister of Information **Mohamed Bangura**, threatening disciplinary action against him for not voting during Konneh's confirmation hearing. Bangura has denied any wrongdoing arguing that only the Supreme Court should decide on the eligibility of the NEC Chairman. Insiders say that he was in a Catch 22 situation, wanting to vote for the appointee but not wanting to vote against his party's position, since the Sierra Leone constitution does not allow an MP to sit or vote with a party other than that for which they were elected.

Benin

PLENIPOTENTIARY REDUNDANCY

■ Benin is planning to close 24 of its 27 embassies around the world in the second major retrenchment of the country's diplomatic corps since President **Patrice Talon** took office, *Africa Confidential* has learned.

The embassies to the United Nations in New York and in Geneva will close, while only two embassies in Africa - in **Nigeria** and **Morocco** - will be maintained, we hear. The embassies in Paris and Washington DC are set to be the only ones outside Africa to be kept, with the Washington mission set to cover the UN.

The embassy in Morocco will probably cover the whole of North Africa and the Horn, including the African Union. President Talon's rationale is that scrapping the embassies is a useful cost-cutting measure, in keeping with his reputation as a hard-nosed businessman. He was Benin's wealthiest man before he ascended to the presidency (AC Vol 57 No 7). Sources close to the presidency say Talon has complained that the diplomatic

missions bring no return on the vast investment put into them.

In 2016, Talon closed nine embassies and 39 consulates to save money. Stripping down the diplomatic service to save cash is not a new idea. Nigeria scrapped a handful of its European embassies last year. Benin is likely to maintain individual attachés and consulates in the countries where the embassies once were.

Many other African states may seek also to sacrifice representation overseas to find budget cuts as a result of the Covid-19 pandemic. However, diplomatic posts are often highly lucrative to the holders and have been among the most sought-after favours a government or president can offer in return for services rendered.

ODA

FROM DEBT TO AID

■ Members of the Organisation for Economic Co-operation and Development said in April that they would 'strive to protect aid budgets' in the wake of Covid-19. Many civil society activists expect, however, that with most donor countries set to experience negative growth this year, Official Development Assistance budgets will fall in real terms. The OECD's Development Assistance Committee (DAC) - the group of countries that regulate how aid should be reported - has also agreed new rules for reporting debt relief as ODA. This suggests an overall fall in ODA expenditure is likely, although the official figures may show little change.

Under the new reporting system agreed on 30 July, donors will be rewarded upfront for the risk of their loans not being repaid. The greater the risk profile of the loan, the more that can be reported as ODA.

This will allow additional ODA to be reported when donors cancel or reschedule loans to developing countries as part of bilateral agreements or, potentially, as part of international debt relief efforts in the coming months. In the process, that should allow some donors to meet the 0.7% Gross National Income (GNI) target as ODA (AC Vol 59 No 8).

Loans currently make up around 16% of total bilateral ODA and, until 2014, were calculated on a 'cash basis', meaning that the full-face value of a loan was included (AC Vol 56 No 22). The new rules mean that they are likely to increase in volume.

'When future debt relief is granted, this agreement will allow a handful of donors to artificially crank up their ODA accounts,' said **Jan Van de Poel** of the European Network for Debt and Development.

The agreement does include a commitment to review the system used by the DAC to assess the extent to which loans given by donors can be classified as ODA. However, the DAC negotiations were confidential and no documents were made public.

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BLUE LINES

Nigeria was taking no chances in its campaign to ensure that its former agriculture minister Akinwumi Adesina gets another term as President of the African Development Bank. Adesina is the sole candidate in the AfDB's elections on 27 August; the rules stipulate he must get a double majority.

However, voting rights are tied to the percentage of paid-in capital on the day of the election. Between 31 March and 31 July, Nigeria almost doubled its voting rights to 16.8% of the African bloc, making it all but impossible for countries on the continent to abstain and deny him a majority.

Many are uneasy about governance in the Bank although an external review panel led by Ireland's former President Mary Robinson backed a decision by the AfDB's Ethics Committee to exonerate Adesina of all complaints of favouritism and malfeasance made by a group of Bank staffers in January. This week the whistle blowers who made those complaints released another 50-page document requesting the issues, as well as the internal processes, be independently investigated. For now, Adesina's problems will be financial. Despite securing a doubling of the bank's capital last year, many of the shareholders, including the non-Africans, will struggle to pay in their capital. Shortfalls will be picked up the ratings agencies and Bank's treasured triple-A rating will be in question. That could mean a scaling down of Adesina's ambitious plans to help finance Africa's recovery after the pandemic recession.

MALI

Junta haggles on transition

The colonels face down the demands of regional leaders while the West wants to get back to fighting the jihadists. Keita is all but forgotten

It's been a week of hard bargaining in Bamako and over the West African airwaves as the putschists who turfed Ibrahim Boubacar Keita out of the presidency negotiate with the Economic Community of West African States (Ecowas) over the shape of a transition to take the country through to fresh democratic elections. In command of the capital, the state machine and popular support, the colonels of the *Comité National pour le Salut du Peuple* (CNSP) stuck firmly to their bottom line: no comeback for IBK. He has now conceded, and told Ecowas mediators he has no wish to return to office.

Regional presidents, with the hawkish Alassane Ouattara of Côte d'Ivoire and Guinea's Alpha Condé in the lead, started out by demanding IBK's return backed by draconian sanctions, the closure of all borders and the suspension of all trade links. But after the hard-line opening bids, cooler heads prevailed as the two sides edged towards the middle ground and potential compromise.

Senegal's President Macky Sall persuaded fellow Ecowas leaders to soften the sanctions and allow in food, fuel and medicine to protect the wellbeing of ordinary Malians and sustain the twin campaigns against jihadist terrorism and Covid-19.

After the Ecowas mediator and former Nigerian President Goodluck Jonathan flew back to Bamako on 22 August, the junta agreed the deposed president could leave Kati barracks for his home in Bamako or travel abroad for medical treatment.

One putschist source briefed the media on proposals for a transition to democracy of three years during which a military figurehead would be in charge. But the CNSP official spokesman, Colonel-Major Ismaël Wagué, rubbished the reports and insisted that there had been no talk of a majority military government.

TIMETABLE DEBATE

The soldiers have proposed a two-year timetable, while Jonathan's team are looking at one year or less. Ecowas hopes the pressure of the franc zone financial sanctions will encourage the junta to retreat.

But Wagué stressed, 'Any decision about the length of the transition, the transitional president or the formation of the government will be worked out among Malians, with the political parties, the social-political groups, the trade unions, the signatory groups, civil society.' It was becoming clear that the putschists' bottom line defence against any lingering Ecowas pressure for a return to the pre-coup state of play was that a broad range of voices across Malian society and the military would decide the way forward – and, implicitly, that this would legitimise IBK's enforced retirement.

And with the former president's own *Rassemblement Pour le Mali* (RPM) party among the first to hold talks with the CNSP it was hard to see any important domestic voices disagreeing.

Although the opposition mass movement, the *Mouvement du 5 Juin-Rassemblement des forces patriotiques*

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(M5-RFP), was miffed that the colonels spoke first to Keïta's governing coalition parties, it was also keen to join the discussions. For now, that won't include its influential clerical ally **Mahmoud Dicko**, who has announced his retreat from politics, although he is likely to remain influential behind the scenes.

He will want to encourage further overtures towards local jihadists such as the Peul (or Fulani) preacher **Amadou Koufa** in Mopti region. The abducted opposition leader **Soumaïla Cissé** – thought to be held by a faction close to Koufa – has at last been allowed to write to his family via the International Committee of the Red Cross. Hopes are high that the new mood of national consensus and compromise might facilitate his release.

Meanwhile, politicians sounding out the mood beyond Bamako are pointing out the need to address urgent social and economic concerns. **Moussa Mara**, leader of the centrist *Yelega* opposition party, has warned of reports of a catastrophic situation in the cotton sector, a critical source of income for hundreds of thousands of households (AC Vol 59 No 1).

In this more positive atmosphere Jonathan decided to prolong his stay in Bamako beyond the weekend, averring that both sides were seeking an honourable route out of the crisis even though it had not proved possible to reach agreement on everything.

By Monday morning, 24 August, it was being reported that the Ecowas delegation had abandoned any suggestion that IBK be restored.

Regional leaders had to make that demand, if only for form's sake, but it was always unrealistic. From the outset, the West African presidents had found themselves alone in their calls to bring him back.

The 18 August coup met with all-round condemnation outside Mali, from United Nations Secretary-General **António Guterres** downwards. The UN Security Council, the African Union, the European Union and **France** instantly united in support for Ecowas's imposition of sanctions and the demand to release Keïta, Cissé and the others

WHO'S WHO IN THE COLONELS' COUP

Five colonels run the *Comité National pour le Salut du Peuple* (CNSP), the junta that seized power from President **Ibrahim Boubacar Keïta's** beleaguered government on 18 August. They are: Colonels **Assimi Goïta** and **Malick Diaw**, respectively leader and deputy-leader of the committee; Colonel-Major **Ismaël Wagué**, a fighter pilot and second-in-command of the air force; and Cols **Modibo Koné** and **Sadio Camara**.

The junta's first statements and actions suggest this a more thought-out putsch than Captain **Amadou Haya Sanogo's** coup in 2012 which led to a power vacuum, allowing Islamist insurgents to occupy almost two-thirds of the country, and then to the **French** intervention, *Opération Serval*, which drove them back (AC Vol 53 No 7 & Vol 54 No 3).

Three of the five officers at the junta's first press conference – Koné, Diaw and Camara – are graduates of the *École Militaire Interarmes* in Koulikoro, just outside Bamako. Camara was stationed in the northern town of Gao, where he was said to be working with General **El Hadj Gamou**, the leader of *Groupe d'auto-défense touareg Imghad et alliés* (GATIA), the 'self-defence' militia, before becoming director of the Prytanée military academy in Kati (AC Vol 58 No 7). He then went for further training to **Russia** in January, and had only recently returned.

Diaw is the second-in-command of the camp in Kati and this is his second coup. He was there when Sanogo deposed President **Amadou Toumani Touré** in 2012. Koné is reported to have served at Konna in the Mopti Region. It was the threat that the Islamist insurgents would overrun Konna in 2013 that triggered the launch of *Opération Serval*.

Goïta commands Mali's elite anti-terrorist unit, the *Bataillon on autonome des forces spéciales* (BAFS), and was stationed in Gao. He also received training from a little-known **United States** NGO called Spirit of America, which operates in combat zones where the US Agency for International Development and the Pentagon are both active. Its role, the Pentagon says, is to encourage US soldiers to identify local civilian needs that might not be covered by aid programmes or the duties of the military missions.

Goïta took part in the annual US joint training exercise for Sahel troops, Operation Flintlock, last year and Spirit of America claims to have been associated with Flintlock since 2015 (AC Vol 58 No 6). The web page containing Goïta's picture in relation to Flintlock 2019 was quickly taken off the Spirit of America website after the coup.

Not at the press conference at the Kati barracks but believed to have played a role in what the putschists call the 'resignation' of IBK, are three further influential figures: Colonel **Mama Sékou Lelenta**, about whom little is known; General **Cheick Fanta Mady Dembélé**; and Lieutenant-General **Ibrahim Traoré**.

Until late in the evening of 17 August, Lt Gen Traoré, who has powerful friends in Kati, was the head of Presidential Security. Then, President Keïta, who was known for treating his security detail with little respect, peremptorily sacked him. This proved the straw, on top of the army's growing list of grievances, that broke the camel's back and triggered the coup.

Gen Dembélé is French and German-trained, widely read, and described as discreet and calm. Until 2019 he led the internationally funded Alioune Blondin Beye peacekeeping academy, in Hamdallaye, in Bamako. Before that, he had a senior position with the African Union Commission for Peace and Security, tasked with strategic planning and conflict resolution. Malian journalists have linked him to the coup but he has confirmed nothing.

Claims have been made about the junta's ties to the opposition *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP), which has been staging mass rallies against Keïta's government since June (AC Vol 61 No 12). But CNSP spokesperson Wagué told France 24, 'We have no links with M5. None.'

Yet there are reports that Diaw and Camara are friends with the former interior minister and now senior M5-RFP official, General **Moussa Sinko Coulibaly**. Coulibaly was briefly detained in October 2019 for tweeting that it was time to 'put an end' to the IBK government. He was also part of the Sanogo coup in 2012. But the 2012 scenario, when the president of the National Assembly – **Dioncounda Traoré** at the time – became interim president, will not be repeated. The current holder of that post, **Moussa Timbiné**, is seen as too close to the deposed ruling clan and is in military custody.

Timbiné's parliamentary seat is one of the 31 assigned by the Constitutional Court in April to IBK, which handed him a parliamentary majority. The decision, since reversed, so angered the public with its apparent impunity that it sparked the mass demonstrations in the capital. ●

detained at the Kati military base. This was in sharp contrast to the jubilation of the crowds on Bamako's streets.

They may have lost this round, but African leaders remain unanimous

in their determination to swat the contagion of putschism before it can infect disgruntled officers in their own countries. Even so, a desire to see IBK's return was absent from the numerous

vague calls for a return to constitutional order.

President **Emmanuel Macron**, addressing a press conference at the French presidential Mediterranean retreat, the Fort de Brégançon, condemned the coup against Mali's 'democratically elected' president and pressed for his release. But in calling for power to be 'returned to civilians as soon as possible' in 'a rapid and democratic transition' Macron was implicitly accepting that Keita's spell in office had already been brought to an end.

AU peace and security chief **Smaïl Chergui** allowed himself to agree with a radio interviewer that one could envisage new elections by the end of this year – implicitly accepting that IBK's presidency was over.

AU heads of state participating in a 20 August crisis discussion also kept their responses low-key. Meeting chair **South African President Cyril**

Ramaphosa called for Keita's release, while **Kenya's Uhuru Kenyatta** simply pressed for a 'speedy, peaceful and democratic' resolution.

EXASPERATION

The absence of specific appeals for Keita's return to office in the international community reflected not just a realistic reading of the mood in Bamako but long years of exasperation with IBK's lackadaisical approach to leading a country in which more than 12,000 United Nations troops serve in a mission with the highest casualty toll of any current UN peacekeeping operation in the world.

In private, frustrations with IBK were expressed frequently and graphically. Asked last year about the president's approach to governing, one senior international mediator told *Africa Confidential*: 'Everything you've ever heard about him is true.' His early

retirement is sure to be met with more relief than regret.

Against such a background, Ecowas was under discreet but uncomfortable implicit pressure from international partners, such as France, the EU and the US, who would not welcome indefinite haggling about transition getting in the way of a renewed focus on the security crisis in the north.

Agreement on IBK's retirement plan should not prove difficult, but popular anger at corruption allegations could complicate negotiations with Ecowas about the fate of many of those close to him. His son, the former parliamentary defence committee chair **Karim**, who remains in military custody, is a particular target for the fury of the crowds. Those images of him partying strenuously in the Balearics while ordinary soldiers were killed in their dozens trying to hold a line against hordes of jihadists won't be easy to forget. ●

ZIMBABWE

Inside the state capture project

A recorded telephone released on social media exposes the extent of Kuda Tagwirei's business empire and its ties to the presidency

If the leaked audio recording of his telephone call with ruling party acolyte **Temba Mliswa** is any guide, businessman **Kudakwashe Tagwirei's** role in government is stronger than ever despite the **United States'** imposition of sanctions against him and serial exposés of his politically connected deals (AC Vol 61 No 5).

In the 25-minute call, Tagwirei boasts of his access to President **Emmerson Mnangagwa** and influence over appointments and government policy. In recent months and with full state support, Tagwirei has been expanding his business empire into gold-mining, banking and telecoms helped by state resources, and there is no sign that the US sanctions will slow that down.

A possible vulnerability for Tagwirei is his stake in Sotic International, based in **Mauritius**, which we hear is under investigation by the US authorities. After **South Africa** and the British Virgin Islands, Mauritius is the main destination for Zimbabweans externalising foreign exchange receipts.

The audio of the call released on 21 August via **Jonathan Moyo**, the former minister of information now exiled in **Kenya**, includes disparaging remarks by Tagwirei about President Mnangagwa's

decision-making and the quality of his lieutenants.

Tagwirei also indirectly claims credit for some presidential decisions, such as the sacking of Energy Minister **Fortune Chasi**. Tagwirei's ownership of Sakunda, the country's leading fuel importer, makes the energy ministry a key target for him.

Tagwirei told Mliswa that he had warned Chasi not to 'ask too many questions about contracts for fuel supplies' as that would anger President Mnangagwa.

We hear Chasi had been looking at the cost of the Sotic contracts and had been talking to **Swiss**-based commodity giant **Glencore**. Tagwirei tells Mliswa that he told Mnangagwa that it would be a bad idea to prosecute Chasi for corruption. Any such trial would risk bringing out the details of politically connected profit-skimming of Zimbabwe's fuel import contracts.

Tagwirei is frustrated by Mnangagwa's appointment of **Soda Zhemu** as new energy minister, a Zimbabwe African National Union-Patriotic Front (ZANU-PF) MP with no knowledge or experience of the sector.

Earlier this year, the Zimbabwe Energy Regulatory Authority decreed that eligible fuel importers should run a

minimum of 25 filling stations to renew their licences. This would push out smaller players, forcing some of them to buy from Sakunda.

Both Tagwirei and Mliswa are also critical of Mnangagwa's appointment of **Anxious Masuka** as agriculture minister to replace Air Marshal **Perence Shiri**, who died from Covid-19 last month. Tagwirei, who had a close relationship with Shiri, says he will have to sit down with Masuka and explain the political and business rationale of the Command Agriculture programme (AC Vol 60 No 18).

Last year former finance minister **Tendai Biti** and the Public Accounts Committee uncovered how Sakunda received US\$366 million in government bonds as payment for supplying inputs for Command Agriculture.

In July 2019, the Reserve Bank enabled Sakunda to offload the bonds at hugely preferential rates, a few months after the government had relaunched the Zimbabwe dollar and was struggling to shore up its value.

The main transaction with Sakunda would have cost the Reserve Bank some Zimbabwe \$2.3 billion, a massive and unsustainable increase in reserve money which seems to have fatally undermined the new local currency (AC Vol 60 No 20).

Mliswa, who remains close to the ruling Zimbabwe African National Union-Patriotic Front despite his formal status as an Independent MP, refers to frustration about the government from politicians such as former Finance Minister **Patrick Chinamasa** and former Local Government Minister **Saviour Kasukuwere**, who is in exile in

South Africa.

The banter and gossip during the call paints a picture of Tagwirei's extraordinary influence within a government riven by factional rivalries and vested interests. Those splits raise concerns for the two and they discuss the need to install their own man in Mnangagwa's office to keep track of developments, ensuring their interests aren't threatened.

Neither caller thinks there is any immediate threat to Mnangagwa, either from the army nor from a mass protest movement, despite the mass arrests of oppositionists. Tagwirei said he intends to campaign for Mnangagwa's second term in 2023, an effort that would doubtless involve more resources from Sakunda's lucrative state contracts.

It also confirms that Mnangagwa is determined to run again, despite his original agreement to hand over to First Vice-President **Constantino Chiwenga**, his deputy, after this term of office. It was the suggestion that Mnangagwa would breach that deal that led to some senior military figures contemplating his removal in January (AC Vol 61 No 2). Since then, relations between Mnangagwa and Chiwenga have sharply declined.

The release of the call on social media follows the emergence of damning official and commercial documents pointing to grand corruption

at the highest level of government. Dissidents within state and military intelligence are said to be behind many of these releases, attempting to further undermine Mnangagwa's position.

Having founded Sakunda in 2005, Tagwirei, 51, was well established but much more discreet before Mnangagwa and Chiwenga seized power from President **Robert Mugabe** in 2017. Tagwirei had nurtured relationships with Mugabe's close associates which encouraged **Dutch**-based commodities giant **Trafigura** to buy into Sakunda Energy in 2014 (AC Vol 55 No 10).

In 2016, Sakunda was involved in its first mega-project deal after a US firm, **APR Energy Holdings**, won the tender for the construction of an emergency backup power plant at the Dema substation. Then the contract was cancelled and handed to Sakunda Holdings although it had not even put in a bid (AC Vol 58 No 13).

At the time, Sakunda was partnering with **Derrick Chikore**, the brother of President Mugabe's son-in-law **Simba** (AC Vol 58 No 4). The two quickly raised finance, led by the Commercial Bank of Zimbabwe.

Sakunda's \$83m per year contract was ended in 2017 after the power utility concluded that the diesel plant was inefficient and expensive. APR had proposed a liquid petroleum gas plant that it said would have saved \$200m in

costs over three years. Its experiences in Zimbabwe may have partly informed the sanctions decision this month.

Under Mnangagwa, Tagwirei has become more visible with a seat on the Presidential Advisory Council, which he advises on energy and fuel.

In May 2020, private bus operators were suspended indefinitely and told they must register their services under the defunct state-owned Zimbabwe United Passenger Company (ZUPCO – AC Vol 60 No 11). It then emerged that Landela Investments, in which Tagwirei has a stake, had secured an exclusive deal to lease buses to ZUPCO. The move has caused chronic transport shortages.

Bankrolled by Tagwirei, the Open for Business Investment Forum earlier this year signed a Memorandum of Understanding with the Ministry of Mines, ostensibly to collaborate in the evaluation of mineral assets.

Months later it emerged that the government had agreed to sign off 85% ownership of several state-owned gold mines to another Tagwirei company, Landela Mining Ventures, in exchange for new capital and debt clearance.

No details have been published as to the scale of those debts nor has the divestment process been opened up to competitive bidding. Just as importantly, no details have been released of the other beneficial owners of Landela Mining. ●

COVID-19/AFRICA

Time to re-open

Africa's lockdown era is nearing the end as policy-makers focus on how to live with Covid-19 rather than defeat it

The shadow-boxing over Covid-19 in Africa appears to be over. While retaining measures to protect public health wherever possible, the priority is now shifting to opening up economies again. One major pointer towards a return towards normality is that international flights are restarting. While fraught with possible danger, it marks the point where the era of waiting and seeing what Covid-19 will do ends, and the living with the virus stage commences.

'Our economies will die if we don't open up,' explained Dr **Stanley Okolo**, Executive Director of the West African Health Organization (WAHO). 'We can no longer continue neglecting the other key health challenges, so with the Covid curve where it is, careful opening up has got to be the way forward.'

The virus remains an enigma. The latest research shows that as many as 85% of cases in Africa are asymptomatic. This is significantly higher than elsewhere in the world. **John Nkengasong**, the Africa Centres for Disease Control Director, announced last week that he was going to launch a large-scale trial with harmonised protocols to try to better understand what is happening. A CDC Nigeria survey last week revealed antibodies in 27% of those tested. In Kenya, the latest study shows a 5% prevalence. But a key problem for the scientists is the weakness of current antibody tests, which are producing unacceptable numbers of false positive or false negative outcomes.

A trial with harmonised testing protocols should help dispel some

unknowns. Official figures indicate that over one million Africans have experienced the virus in some form or another, but national and international health authorities speculate that the figure could be as high as 14 million (AC Vol 61 No 16). The respected US-based Institute for Health Metrics and Evaluation puts it at more than 8 million.

It's now a question of getting the business and social balance right while keeping a careful eye on the Covid curve, experts believe. A survey of 39 countries undertaken by the World Health Organization revealed that in only six countries are schools currently fully open. Around a dozen countries are due to reopen schools in September but the WHO and the United Nations Children's Fund (Unicef) are pushing for many more to follow suit, arguing that the long-term impact risks ever greater harm to children, their future and their communities. A survey by the International Rescue Committee in Turkana, northern **Kenya**, revealed 558 adolescent pregnancies between March and June – almost a threefold increase from the same period last year.

Air travel is being re-established as

rapidly as governments allow airports to reopen. KLM, Air France, Emirates, Qatar and Ethiopian Airways are already in the air over much of the continent, and other airlines like British Airways, Egypt Air, TAP and Royal Air Maroc are set to re-establish their routes over the next couple of weeks. Travellers are being advised to check carefully on any quarantine, or non-Covid carrying certification that individual countries might require, but after six months of shutdown, these links will boost the reestablishment of commerce. The hope is that it can be prevented from also being a boost to the virus.

Africa CDC formally launched a campaign called 'Saving Lives, Economies, and Livelihoods' on 20 August with two of the AU's commissioners, **Amira Elfadil** (social affairs) and **Amani Abou-Zeid** (infrastructure and energy). 'We must recover better than before. Adapting technology, the new normal for Africa has to be a better normal,' they urged.

On a similar theme, the African Development Bank will open its virtual Annual General Meeting this week with

a theme of 'Building Africa back better after Covid-19'. For several months, the bank has been lending to member countries to help cushion economies, health systems, and citizen livelihoods. To date it has loaned just under US\$3.5 billion from its \$10bn Covid Response Facility.

LOSSES

Charles Leyeka Lufumpa, Acting Chief Economist and Vice-President for Economic Governance and Knowledge Management at the AfDB, assesses that cumulative losses in gross domestic product across the continent could range between \$173.1bn and \$236.7bn in 2020 and 2021. He assesses that the pandemic threatens to increase the debt burden of African countries from 60% to 70% of GDP, heightening the likelihood of a sovereign debt crisis. The additional financing required to cushion the consequences of the crisis could be in excess of \$150bn, he says (AC Vol 61 No 15).

'In a part of the world where 85% of the population earn their living in the informal sector,' he adds, 'unemployment

as a direct result of the coronavirus pandemic could push an additional 28 to 49 million people into extreme poverty. Moreover, if we fail to take adequate action, the impact of the crisis on food insecurity and malnutrition may be even worse than anticipated.'

Meanwhile, it appears that the head of the Joint United Nations Programme on HIV/AIDS, **Winnie Byanyima**, is holding firm in her battle with several African ambassadors to the UN in Geneva (AC Vol 61 No 17). The emissaries of **Cameroon, Ethiopia, Kenya, Malawi, Nigeria, South Africa** and **Uganda** had objected to a draft UNAIDS publication on the importance of upholding human rights in the enforcement of lockdowns.

In spite of their objections, which included a formal rejection of the publication, it seems the book will be published on 28 August. A UNAIDS spokesperson confirmed to *Africa Confidential* that fact-checking was almost complete and that there would only be minor amendments, and the book would be published substantially as it had been drafted. ●

NIGERIA

All power to the governors

Watching the confusion and rivalries in Abuja, the states are trying to take control of resources and security

Timpre Sylva's meeting with **Nyesom Wike** at the governor's mansion in Port Harcourt on 23 August bore all the signs of an old friends' reunion. Both are political kingpins from the Niger Delta, a region facing a new era of volatility after crashing oil prices, a boom in piracy and kidnappings and reports that the government in Abuja is considering ending the amnesty programme which has bought off a generation of local militants (AC Vol 57 No 16).

On paper the two men are sworn rivals. Sylva, Minister of State for Petroleum Resources, is the most prominent politician of the ruling All Progressives' Congress (APC) from the Niger Delta, from Bayelsa state.

Wike is the de facto leader and chief financier of the opposition People's Democratic Party (PDP), governor of Rivers State, the richest state after Lagos, and the self-appointed national champion of the Niger Delta (AC Vol 61 No 16).

For practical politics, Sylva and Wike, need each other. Given the straitened finances of the federal

government in Abuja and the power vacuum there, they have to cooperate to pull in some benefits for their home base. After a long private chat, they released some pro forma announcements about renovating state-owned refineries and building more of them.

Wike repeated the long-held wish that international oil companies move their operational headquarters from the commercial capital Lagos to the Niger Delta. They were 'required to' long ago but have resisted, he said. 'Companies should not use the threat of violence and criminality as an excuse for failing to relocate to Port Harcourt,' insisted Wike. 'There's insecurity, kidnapping and armed robbery in Lagos... because we come from a minority area, they portray it as if there's so much insecurity in the Niger Delta.'

A long-time advocate of restructuring the country to devolve more power and finance to the states, Wike has his eyes on the rents, taxes and associated economic boost from oil companies setting up their main offices in Port Harcourt. This year, budget disbursements from the federal

government to the states fell as oil revenues went into free-fall.

The more effective of the country's 36 state governments are looking at ways to raise local revenues and want more political autonomy to go with that. This year's financial meltdown in the federal government, hit by the pandemic and the oil price war, is forcing a rethink of the political and economic balance of power in the country.

It means state politics is getting more important. Some activists say that, as in **India**, national parties could become more reliant on deals with regional parties to win elections and pass laws. Since its defeat in 2015, the PDP has been reduced mainly to a party of the Niger Delta and the south-east.

GATHERING DUST

Restructuring is again the mantra for politicians geeing up their home bases ahead of the 2023 elections. There is no sign that President **Muhammadu Buhari** wants to reopen the debate about constitutional reform, let alone push through any radical measures in his second term. The 2014 constitutional conference report handed over by the outgoing **Goodluck Jonathan** administration is gathering dust in a federal cabinet.

In principle, Nigeria's federal constitution resembles that of the **United States**. In the US, it was up to the states to cede powers to the centre. In Nigeria, federalism started the other

THE DISRUPTOR GOVERNORS

Both the main parties, the ruling All Progressives Congress (APC) and the opposition People's Democratic Party (PDP), are factionalising around the rival ambitions of their top officials. Neither of the parties is inspiring the electorate much. Trying to compensate for those deficiencies is a newish wave of younger governors, from both parties, who want to reform the national constitution and devolve more power over money and security to the states.

These key governors are:

- **Babagana Zulum** of Borno State (APC): With a doctorate in soil and water engineering and a determination to tackle the causes and effects of climate change in his conflict-ridden state, Zulum is strikingly different from his predecessor governors. After taking office last year, the outspoken Zulum has repeatedly criticised the army's tactics and performance against the Islamist insurgents who have driven over 2.7 million people from their homes in north-east Nigeria, and are intensifying operations in Borno state. His recruiting of a 10,000-strong vigilante force, including traditional hunters, in Borno state to compensate for the lack military and police presence has pushed calls to regional or state police forces back onto the political agenda.
- **Kayode Fayemi** of Ado Ekiti state (APC): As the activist chairman of the Nigerian Governors' Forum, Fayemi has become a national figure. Some say it is a deliberate strategy to shore up his aspirations for the presidency. Ado Ekiti has one of the best educated but smallest populations among the 36 states; so it gets one of the lowest subventions from the Federal Treasury. To balance that, Fayemi has launched multiple agricultural projects to sell food into Lagos state, a market of over 20 million people; and he cut 'right of way' charges by 97% for laying broadband cables, trying to fire up the state's digital and knowledge economies. Acutely aware that the states have to diversify revenue sources, Fayemi's stint as Minister of Mines and Steel Development launched a policy formalising the work of artisanal gold miners, which has proved popular in mineral-rich zones in the north. It has added to pressure on states to expand revenues outside their statutory share of the federation's oil earnings.
- **Nasir el-Rufai** of Kaduna state (APC): Efficient, steely and intellectual, el-Rufai seemed at one time destined for the presidency. Appointed by President **Olusegun Obasanjo** to run the federal privatisation programme, El-Rufai then took over as minister of the federal capital territory (mayor of Abuja) where he won a reputation for arbitrary, unaccountable and sectional decision-making. An unusual northern politician, he backs calls for national restructuring and wants to see a president from the south in 2023. That may be because he wants the running mate position on the APC presidential ticket. Much will depend on how he manages the latest series of armed attacks on Christians in his state which so far have earned him wide-ranging criticism.
- **Seyi Makinde** of Oyo State (PDP): This young and unassuming governor has been reforming his state with quiet efficiency and runs one of the most youthful governments. Seen as an arrowhead of the Amotekun regional security initiative, Makinde could be strong contender for national power, more for 2027 than 2023. He is developing an influential role in his party and will be pushing for more restructuring reforms for the states in the coming years.
- **Nyesom Wike** of Rivers State (PDP): This ebullient politician has always believed that Rivers and other oil-producing states ought to get more attention from Abuja; a cause that works for politics sake and the loyalty of his regional peers. The Niger Delta's de facto leader in the absence of former governor of Delta State, the ex-convict **James Ibori**, Wike's convening power will be crucial in achieving any gains for the cause of resource control in the region over the next three years of his tenure. ●

way around when the centre deigned to allow states powers over local health and education programmes, a few tax-raising powers but no local control over police and security.

Nigeria's states receive monthly allocations from the federal purse and are mostly barred from developing natural resources in their regions and using them to raise revenues. Many states are ignoring those restrictions, at least for artisanal production.

Wike's support for restructuring comes as groups in the Niger Delta call for small-scale artisanal oil refineries to be integrated into the formal economy. These mini-refineries dotted across the region use local oil for a roughly processed fuel, sold locally for transport and cooking.

Vice-President **Yemi Osinbajo** had earlier suggested that mini-refineries should be licensed but that might have been stymied by the power of the fuel import lobby. In states such as Zamfara and Kaduna, artisanal gold-miners have been licensed since January. Other states in the South West and Middle Belt are following, with little regulation or accountability for

revenues and taxes.

Meanwhile, worsening clashes and criminality over resources and political mobilisation across each of the six geopolitical zones have prompted state governors to take desperate measures as more local communities set up vigilante groups.

Banditry in the North West as cattle-rustlers career across the region has exacerbated long-term clashes between cattle-herders and settled farmers in the Middle Belt and the South West. Groups stealing cattle and attacking farms are increasingly well-armed and organised, and so now is the local response from vigilantes.

States want their own policing powers and budgets to tackle this more systematically. A federal bill to unbundle the national police, transferring security powers to the states and communities, has been stuck in the National Assembly since January.

Local political groups are exploiting the insecurity to build support. Armed officers from the Department of State Services and militants of the Indigenous People of Biafra (IPOB) clashed on 23 August near the south-eastern city

of Enugu, leaving five dead (AC Vol 61 No 14).

A month earlier, a gang of armed men, said to be cattle-herders, attacked a nearby community, resulting in several deaths. That template of herder-farmer clashes is spreading out from the Middle Belt, with groups on all sides couching it as a religious fight between Muslims and Christians (AC Vol 61 No 15).

After political leaders in the South West agreed to coordinate a regional security response, governors from other regions, despite their political differences, are following suit. In Borno, wracked by a decade-long Islamist insurgency, Governor **Babagana Zulum** has launched a 10,000-strong vigilante force to protect communities left unprotected by the police and the army.

SOUTH WEST WAY

The push for regional security cooperation is another way that the South West, which will make a strong bid for the presidency in 2023, is setting the national agenda.

Governors of the six South West states, led by Ekiti governor **Kayode**

Fayemi of the APC and PDP's **Seyi Makinde** in Oyo, have acted as concern mounted about the military and police capacity to head off a new wave of attacks and criminality. In January, they launched Operation Amotekun, 'leopard' in the Yoruba language.

Amotekun, comprising local 'hunters' and vigilante groups, has won federal recognition from Vice-President Osinbanjo and Attorney-General **Abubakar Malami** after obtaining legal backing from the states' assemblies.

Subsequently, Amotekun won the reluctant backing of APC national leader **Bola Tinubu**, who is running for the presidency in 2023 (AC Vol 59 No 7). **Babachir David Lawal** and **Boss Mustapha**, former and serving Secretaries to the Federation with extensive networks in the Buhari

presidency, have already emerged as public supporters of Tinubu. Buhari's position, either on Tinubu or on regional security formations, is not known although one insider says he's sceptical on both.

Regional security has become another cause for those wanting to restructure the constitution.

They point to Amotekun, Kano's Hisbah police and the Civilian Joint Task Force fighting insurgents in Borno state (AC Vol 42 No 17 & Vol 60 No 25). **Aminu Masari**, governor of Buhari's home state of Katsina, now openly supports the Amotekun model after the failure of his peace deal with local bandits. Earlier in June, he had insisted, perhaps prompted by Abuja, that national security must stay a federal responsibility.

The governor in neighbouring Kaduna, **Nasir el-Rufai**, is also being tested by a security crisis. Organised attacks on mainly Christian communities in southern Kaduna have prompted widespread criticism of el-Rufai's response, with the Nigerian Bar Association withdrawing an invitation for him to speak at their annual conference.

An arch-enemy of Tinubu, El-Rufai is part of a rival camp in the ruling APC which includes **Rotimi Amaechi**, Transport Minister and former governor of Rivers State. El-Rufai's calls for more powers to the states and for a southern presidential candidate in 2023 is smart politics which might have earned him a running-mate position on the ticket. But his poor response to the attacks in his state will carry a political cost. ●

SOUTH AFRICA

Graft puts ANC on the spot

Allegations of Covid-related procurement fraud by ruling party officials are threatening to derail public confidence in the President

President **Cyril Ramaphosa** is in a desperate fight for the credibility of the African National Congress after a spate of arrests and asset seizures over fraud in the procurement of personal protective equipment (PPE). He called the role of ruling party personnel an 'unforgiveable betrayal', admitting the ANC was 'Accused No. 1'. Already under heavy fire for not moving quickly enough to prosecute the beneficiaries of 'state capture' under President **Jacob Zuma**, he is attempting to act decisively to limit the damage.

The torrent of Covid-19-related graft – estimated at 2 billion rand (US\$120 million) – which has come to light in the past two months is compounded by a looming sovereign debt crisis which could require a bail-out and structural adjustment programme by the International Monetary Fund within two to three years. Ravaged as much by corruption and economic hardship as by a pandemic which has left more than 13,000 dead, public anger flared over the looting by state and party officials of relief funds.

Ramaphosa appointed a ministerial committee to investigate the irregular awarding of tenders for PPE on 6 August. Court orders issued against 44 individuals and companies on 8 August are the result of that work.

When details of the frauds became

clear the Ramaphosa faction was most shocked, an insider said, by the fact that some of the Covid-19 companies were set up and registered within days, even hours, of the lockdown starting, and in some cases the vastly inflated PPE invoices went out on day one of the lockdown.

Among those linked to the procurement fraud investigation is one of the children of **Nomvula Mokonyane**, who was Environment Minister until last year, having originally been appointed in the Zuma era. **Tshepiso** and **Tato Magashule**, sons of the ANC's outspoken Secretary-General **Ace Magashule**, unofficial leader of the 'Zuma faction', allegedly profited from preferential access to state contracts without due process (AC Vol 61 No 14). 'Tell me one leader of the ANC who has not done business with government,' Magashule responded to critics.

Ramaphosa hit back in his weekly newsletter writing that those who profit from a pandemic are 'like a pack of hyenas circling wounded prey'.

Public Service and Administration Minister **Senzo Mchunu**, a close Ramaphosa ally, warned in a notice to provinces and municipalities as far back as 30 June that it is illegal for public servants to do business with the state.

The Financial Intelligence Centre Act calls for extreme due diligence to be

applied to Politically Exposed Persons and their first-degree relatives, noted leading business executive **Bonang Mohale**, chair of the Johannesburg-listed global company Bidvest. 'What makes the current state of corruption even more revolting is that upon the announcement of the 500bn rand (\$29.4bn) social and economic stimulus package, South Africans warned the government that most of this yet-to-be-borrowed money would – not might – be stolen,' Mohale said.

The deep frustration of industry was voiced by Business Leadership South Africa (BLSA) chief executive **Busisiwe Mavuso** in her weekly newsletter to executives of the top 100 companies. 'Given the ferociousness of internal contests and factionalism in the governing ANC, President Ramaphosa always risked a one-term Presidency in favour of implementing the urgent structural reforms need to avoid the country falling off the fiscal cliff,' she said. 'Unfortunately, he seems unwilling to go against vested interests within his own party and take the necessary, decisive actions,' she added.

Ramaphosa himself is likely to come under scrutiny. One of the officials investigated over questionable PPE contracts is **Madzikane Thandisizwe Diko**, husband of the President's spokeswoman, **Khusela Diko**. She has stood aside after admitting misjudgement. We understand that Madzikane Diko won two contracts worth R120m (\$7m) with a profit margin of 800%.

The President's son, **Andile Ramaphosa**, is also under attack over a R6m (\$300,000) project to supply ventilation technology for 15-seater minibuses to reduce the chances of infection from Covid-19. The source

FROM CRACKING DOWN TO SLAPPING DOWN

It was a heartfelt call to action when President **Cyril Ramaphosa** told members of the ruling party that 'The African National Congress is Accused Number One' in the grand corruption league. His biggest problem is that the key beneficiaries of corrupt schemes over the past decade or more still control many of the levers of power in the party.

Such is their wealth and influence that they're willing to fight it out with Ramaphosa, blocking every effort at accountability, even if they destroy the ANC in the process.

Four days apart, ANC Secretary-General and party strongman **Ace Magashule** (19 August) and President Ramaphosa (23 August) issued comprehensive statements on how the party should curb corruption. The latest revelations of tender awards to business people and their families parading their ANC connections have outraged people.

There are vital differences between the rival plans of Ramaphosa and Magashule: each of them is laying traps for the other.

Ramaphosa's statement suggested a leader committed to an all-out assault on corruption and abuse of state power. He named two priorities: the suspension of party officials charged with corruption; a clear policy on party officials awarding tenders to family and friends in an obvious reference to Magashule's sons (see feature).

Magashule wants much narrower criteria around misuse of office and the suspension of officials charged with corruption. He calculates that he has powerful support within the party and leadership for his more lenient position.

This was the closest that the two ANC leaders have come to a public collision. Magashule faces multiple allegations of corruption during his time as premier of the Free State and linked to **Jacob Zuma's** presidency.

Ramaphosa, however, also has questions to answer over his spokeswoman's husband, and on his campaign funding in the 2017 ANC presidential elections as well as a Covid-19-related tender that his son won.

Open warfare is not Ramaphosa's style. He prefers to use process and consensus rather than step out ahead of his party, leading by example and conviction.

That means a lot of quiet lobbying and ensuring that the National Prosecuting Authority, and its associated units, have the resources and personnel to charge and convict the most corrupt figures in the ANC leadership. That isn't happening now. The serial delays and obfuscations in the trial of disgraced President Zuma have become the symbol of a failing anti-corruption campaign.

Ramaphosa's best chance of success is to take the corruption issue beyond the party given Magashule's control over the ANC's internal machinery.

Magashule may use his ties with ANC Treasurer-General **Paul Mashatile**, a one-time Ramaphosa supporter who could emerge as a challenger for the leadership. Magashule wants Mashatile to join him in appointing a panel to examine the ethics of ANC leaders in government on the narrow basis of 'any outstanding criminal charges or convictions'.

Magashule caused public outrage this month when he endorsed the appointment of former Mayor of Ethekwini, **Zandile Gumede**, as a member of the KwaZulu-Natal legislature. At the time, Gumede was on 50,000 rand (\$3000) bail after being charged in a R208 million (\$12.2m) tender fraud while he was mayor.

Ramaphosa will have to fight his corner on the corruption issue at the ANC's National General Council due early next year. Magashule is already canvassing support against him and he won't relent easily. Magashule can be removed only at the ANC's national conference, held once every five years, or if he is charged with corruption by the state prosecutors. ●

former chief executive of debt-stricken electricity utility Eskom, **Brian Molefe**, former chief financial officer **Anoj Singh**, who has been expelled from the accountants' professional association, the South African Institute of Chartered Accountants, former acting chief executive **Matshela Koko**, former legal head and whistleblower **Suzanne Daniels**, former Mineral Resources Minister **Mosebenzi Zwane**, former board chair **Ben Ngubane** and board members **Chwayita Mabude** and **Mark Vivian Pamensky**.

As the move against former Eskom executives was being announced, three unnamed witnesses under police protection have claimed that Molefe, Singh and Koko would regularly visit the home of the Gupta brothers in the leafy Johannesburg suburb of Saxonwold and depart with bags stuffed with banknotes for transfer to storage in a safe house known as the 'Knox Vault'.

Arrests may follow, and the Gupta brothers – **Atul**, **Ajay** and **Rajesh** – and their associate **Salim Aziz Essa** are also in the SIU's sights over state capture. They have denied any wrong-doing.

Meanwhile, on 15 August, the SIU Special Tribunal seized R18m (\$1.06m) worth of bank accounts and property belonging to **Herbert Msagala**, an executive of Transnet Capital Projects, a state-owned transport and logistics company. The order applies to nine family members and associates who run his family trust and has blocked Msagala's pension.

The tribunal's haul included 35 vehicles, among them SUVs and an Italian sports car, a choice piece of land, two farms and three other properties.

The Covid-19 looting was the last straw for a country on the edge and launched a barrage of criticism of Ramaphosa's leadership – or lack thereof – from business, civil society, church leaders and a weak political opposition.

In what is believed to be the country's first 'online rally', more than 300 ANC veterans, business and church leaders and anti-corruption activists took part in a spirited meeting on 21 August addressed by former Public Protector **Thuli Madonsela**, former ANC Cabinet Minister **Derek Hanekom**, respected anti-apartheid church leader and former head of the presidency under **Thabo Mbeki**, the Reverend **Frank Chikane**, and leading organised business leader, **Sandile Zungu**, of the Black Business Council.

The meeting, which was convened by the Ahmed Kathrada Foundation on what would have been the late Rivonia trial defendant's 91st birthday,

of the funding is not known. He has defended his involvement on the basis that it would save 'countless lives'.

Ramaphosa himself faces an embarrassing sworn statement by **Andile Mngxitama**, the maverick leader of Black First Land First, claiming that campaign workers who helped him win the ANC presidency election in 2017 later profited with key positions and lucrative contracts.

The President has also been cited in a court action by Economic Freedom Fighters leader **Julius Malema** that seeks to force him to disclose his funders in the closely contested 2017 election so that he cannot be 'captured' by them

as Jacob Zuma was. A court previously ruled that the list be kept confidential. Some names were subsequently leaked.

DISILLUSIONMENT

But despite widespread disillusionment with Ramaphosa's perceived failure to curb corruption, in the past few weeks there have been some encouraging signs that the courts and the criminal justice system are beginning to make headway with the broader issue of massive corruption during the Zuma decade.

The Special Investigation Unit (SIU) has launched a civil suit to recoup an initial R3.8bn from the disgraced

followed a call by the Kathrada, Nelson Mandela and Desmond and Leah Tutu foundations, the South African Council of Churches and the Council for the Advancement of the South African Constitution to mobilise opposition to the 'corrupt ANC'.

Such a reaction from the great and the good of the anti-apartheid struggle was partly the consequence of the

shock experienced when Ramaphosa was heard to put the interests of the ANC before those of the country in an interview. On national television he was asked to respond to a recent joint statement calling on the public to mobilise against the ANC. He replied, 'I said I would rather be seen as a weak president than to split the ANC. Because that is not my mission. My mission is to

keep the ANC united.'

For many this was an unconscious admission that the public interest was secondary to those of the ruling party. Yet, with his unprecedented letter to ANC members admitting the party's deep and ongoing involvement in corruption and urging zero tolerance, hopes are high that he can prove them wrong with action. ●

BOTSWANA

Bridgette's border war

A South African billionaire wants to sue the government in Gaborone as President Masisi's battle with his predecessor intensifies

It is political drama of the pandemic age. At an international press conference on video-link on 19 August, mining magnate **Bridgette Motsepe** rejected accusations of money-laundering and theft by the Botswana government, insisting that she would sue the country's Attorney-General for defamation.

Backing Motsepe's protestations of innocence was a monumental dossier compiled with the help of **Cherie Blair**, QC, wife of former **British** premier **Tony Blair**, and a business intelligence outfit in London.

Supported online by **South Africa's** former Public Protector, **Thuli Madonsela**, former President **Ian Khama** and Blair, Motsepe rejected Botswana's claims that she had controlled bank accounts alongside Khama and laundered vast sums for a political project.

Motsepe challenges an affidavit sworn by **Jako Hubona**, an anti-corruption official in Gaborone, which was produced to oppose bail for **Welheminah Mphoeng Maswabi**, aka 'Butterfly', a Directorate of Intelligence and Security Services officer with ties to deposed DISS head **Isaac Kgosi**, Khama's right-hand man and security supremo when he was president. She is on bail awaiting trial.

Motsepe is African National Congress royalty. She is sister to **Patrice Motsepe**, South Africa's richest man, and **Tshepo Motsepe**, President **Cyril Ramaphosa's** wife, and is married to **Jeff Radebe**, a minister in successive ANC governments who was once tipped for the presidency (AC Vol 55 No 18).

The affidavit stated that Khama had set up accounts controlled by himself, Kgosi, and Motsepe for political uses. The 200-page report by Blair's Omnia Strategy and London-based Alaco says

the accounts are fabricated, probably using data purchased on the 'dark web' to make them look plausible, and the transfers faked.

At the end of 2019, Motsepe produced letters from the two banks claimed by the Botswana government to have been involved in the money-laundering saying these accounts did not exist.

One of the affidavit's most bizarre allegations is that since 2008, the alleged conspirators transferred about 100 billion pula (US\$10bn) from the central bank, the Bank of Botswana – about half the GDP of the country.

Madonsela made much of this, telling the video press conference that a cursory examination of that claim by any prosecutor would have resulted in the charges against Maswabi being withdrawn or amended. The Bank of Botswana has also denied any money was stolen from its accounts and questioned the 100bn pula amount which it says is larger than the country's total foreign exchange reserves, estimated at around 80bn pula.

Allegations against Motsepe, who is an old friend of Khama, first cropped up during the peak of the fight for the leadership of the ruling Botswana Democratic Party (BDP) in April last year. Reports suggested she was financing **Pelonomi Venson-Moitsoi** who was challenging Masisi, with Khama's backing, for the ruling party's leadership ahead of the October 2019 general election (AC Vol 60 No 8).

A week after winning the primary election to lead the BDP, Masisi's administration put Motsepe on a visa restriction, meaning she would have to apply for a visa to enter Botswana.

The fightback against Gaborone has been ferocious. Cherie Blair said on the video link on 19 August, 'The case is a scandal, a national

tragedy which is seriously damaging Botswana's reputation'. The affidavit was a 'fantastical script' which caught up innocent individuals in a 'web of lies' and an 'assault on the dignity of South Africa'.

Speaking to the camera, Motsepe said she never expected to experience again the 'severe abuse' and character assassination she experienced at the hands of agents of the state under apartheid. She had asked Interpol to investigate and was referring the Omnia/Alaco report she had commissioned to the African Union.

Khama, who never gave a press conference as president during his 10 years in office, also attacked the Botswana government after Blair and Motsepe had spoken. He called this a 'day of shame for our country' and described the Gaborone government's actions as desperate, and the affidavit as 'perjury'. He described 'a regime desperate to try and legitimise itself, punish the reputation of those targeted and settle petty political scores.' He said his accusers and their allegations were 'all driven by self-interest and envy of legacies and livelihood initiatives that they could not match' (AC Vol 59 No 17).

Khama regularly denounces Masisi's government and has been buoyed by recent defections to his Botswana Patriotic Front. Eight councillors came from the BDP and there are reports of at least six MPs who may follow suit. This is in Central District areas where Khama is the paramount chief and the BPF performed well in the 2019 general elections. Two MPs who are close to Khama, **Ignatius Moswaane** and **Mephato Reatile**, have been suspended from the BDP for allegedly bringing the party into disrepute.

The government wants to amend the constitution, for which it has the necessary votes, to forbid MPs from retaining their seats after leaving the party for which they were elected. Khama said this showed the ruling party's panic. 'If the law is intended to stop the growth of this party, then that will fail'.

We hear that President Ramaphosa is embarrassed by the dispute but

cannot prevail upon his sister-in-law to calm the situation. She has a reputation as an abrasive and independent fighter in business and in politics.

Motsepe also has strong political views and is not shy about voicing them. She has not contradicted claims by Botswana journalists that

she was heard on audio recordings discussing how to support Venson-Moitsoi's challenge for the leadership of the BDP. ●

KENYA

The deal starts to fray

As the Building Bridges Initiative stalls, politicians are readying for a battle over the top jobs

The Building Bridges Initiative (BBI) – the political deal concocted between opposition leader **Raila Odinga** and President **Uhuru Kenyatta** – is in trouble again. Enough trouble to merit requiring some public support from main backers.

That explains why Odinga, just back from a month in Dubai where he is said to have had back surgery, drove over for a gathering of the political clans on 2 August at trade union leader **Francis Atwoli's** ranch at Ildamat in Kajiado County, an hour south of Nairobi.

At their lunch there, photographs widely circulated on social media, Odinga and Atwoli, secretary general of the Central Organisation of Trade Unions, took pains to show the BBI deal was in robust health despite signs of growing tensions between the principals.

Among the luncheon guests at Atwoli's ranch that day were Jubilee Party vice-chair **David Murathe**, newly elected Majority Chief Whip in the National Assembly, Jubilee's **Richard Maoka Maore**, former MP and one-time presidential candidate and businessman, **Peter Kenneth**, and Siaya Senator and Odinga confidante, **James Orengo**.

It was about fence-mending, more for the optics than its substance; a much-needed display of amity for the BBI's unofficial gatekeepers, Atwoli and Murathe.

Kenneth's presence was curious. His much-photographed visit on the following day at **Gideon Moi's** residence prompted speculation about whether the First Family is considering him as its nominee to succeed President **Uhuru Kenyatta** in 2022 (AC Vol 61 No 14).

Odinga's departure for Dubai coincided with more bickering about the composition of the parliamentary committees that would supervise the implementation of the BBI Report. After President Kenyatta purged loyalists to Deputy President **William Ruto**, he brought in a new cadre of allies in charge of the ruling Jubilee party's parliamentary affairs (AC Vol 61 No 12).

Foremost among them is **Amos Kimunya**, a finance minister during **Mwai Kibaki's** presidency and trenchant critic of Odinga. Kenyatta had made Kimunya majority leader after dismissing **Aden Duale**. After losing his Kipipiri seat in the 2013 elections, Kimunya, known for his high-handed style, has taken his new appointment to heart: he immediately set about antagonising Odinga's troops.

When **John Ngong'o Mbadi**, the Orange Democratic Movement's chair and the National Assembly's Minority Leader, recommended several tweaks to BBI-sensitive committee positions, partly to undercut backers of Deputy President Ruto, Kimunya ignored such nuances. In so doing, his selection of committee members in the Assembly managed to offend both Mbadi and Kenyatta loyalists.

When Kimunya's impatience with perceived ODM meddling in the ruling party's affairs was echoed by Jubilee vice-chair and Kenyatta confidante, Murathe, it appeared the official position was changing.

Murathe told his ODM counterparts that if they were unhappy with the run of things they were free to leave. He is at the heart of these shifts: Murathe had been the president's battering ram in breaking the resolve of the pro-Ruto faction just weeks earlier.

DISPENSABLE

With Kenyatta on a deal-making spree – he had signed pre-election coalition pacts with Gideon Moi's Kenyan African National Union, **Stephen Kalonzo Musyoka's** Wiper Democratic Party and former Council of Governors chair **Isaac Ruto's Chama cha Mashinani** (The Grassroots Party) – Murathe's abrasive remarks told Odinga that he was no longer indispensable to Kenyatta's succession plans.

Odinga's influence on both national and ruling party affairs has grown in inverse proportion to the warmth of President Kenyatta's relations with his deputy.

Working either from his official office at the Capitol Hill Centre in Nairobi's Upper Hill corporate district or out of his Kerarapon residence in the Karen neighbourhood, Odinga has become a key arbiter in the ruling party's affairs. At the national level, he has reassumed his old grand coalition prime ministerial role, receiving cabinet ministers, civil servants and national officials and intervening in matters of state.

This role of unofficial premier has given the BBI bromance partners the veneer of authority that was necessary to legitimise a private pact. Unlike the February 2008 National Accord between former president Kibaki and Odinga, midwived by African Union emissaries, notably **Kofi Annan**, **Benjamin Mkapa** and **Graça Machel**, and chaperoned by Western diplomats, the March 2018 'Handshake' was negotiated between close Kenyatta and Odinga family members, gazetted by the Office of the President as an official function and foisted on the public as a *fait accompli*.

Although the BBI Committee is paid for out of the Presidency's budget, more than two years later, its role has not been formally approved by the National Assembly.

A referendum would have given the pact the public seal. But with the suspension of political rallies because of the Covid-19 pandemic, and two years until the next election, it is unlikely that the principals will be able to organise a plebiscite. It is perhaps this realisation that has triggered tensions, preoccupying both camps about the need to assert full control over the legislature. They've had little success so far on that score.

At the same time, Mount Kenya's business elite are said to prefer a deal with Odinga to the prospect of a Ruto presidency. Aggrieved at the Deputy President and his loyalists' robust rent-seeking tactics, their quarrel with the Ruto camp is over business in three areas: road construction and infrastructure tenders; energy sector deals; and brokering **Chinese** deals for which they were in fierce competition.

Some of Odinga's backers, notably businessman **Jimmy Wanjigi** who in 2012 brokered the deal between Kenyatta and Ruto and became one of Jubilee's key fundraisers, are wary of Ruto and the Kenyatta family, having been sidelined by both once they took power.

HOW REVENUE STRAINS THE LEADERSHIP PACT

A cross-party rebellion in the Senate over the Division of Revenue Bill, a crucial proposal that will determine the basis on which county revenues are disbursed, has become the latest headache for the principals of the Building Bridges Initiative.

Drafted by the Commission on Revenue Allocation, the pillar of the 2010 constitution's public finance dimension charged with formulating the arithmetic through which allocations to the counties are made, the CRA's latest report, dubbed the 'third-generation formula', wasn't obviously controversial at first.

Given the state's long history of politicised development, the CRA's complicated mathematical formulae ticked all the boxes, giving weighted priority to population, geography and affirmative action for previously neglected counties, while incentivising fiscal probity and county revenue-raising initiatives. Much of that was pushed aside in the version of the bill that landed in parliament.

It's not clear at what point the CRA's report was altered; several experts who had participated in the CRA's report-drafting process were mystified by its radical transformation. By the time it was tabled in the Senate in late-July, it had become an instrument for the 'One Man, One Vote, One Shilling' for the President's Mount Kenya base.

For all its divisiveness, this played well to President **Uhuru Kenyatta's** objectives of corralling his ethnic base. Their frustration with the government's economic mismanagement, the President's embrace of **Raila Odinga** (having earlier demonised him) and the Kenyatta family's monopolistic business tactics had sent the traders and farmers into **William Ruto's** camp.

With **Urungu Kang'ata** backing the adoption of the revenue allocation formula in the senate, the President may have momentarily united his core support. But he also angered key elements of his ruling Jubilee party, notably the northern Kenya senators, whose defiance of the party position was bolstered by erstwhile Kenyatta loyalists, such as the outspoken Nairobi senator, **Johnson Sakaja**.

In what party insiders see as youthful effrontery, Johnson joined forces with other young senators across the aisle, notably ODM's **Ledama ole Kina**, Wiper's **Mutula Kilonzo Jr**, and key Ruto ally, **Onesimus Kipchumba Murkomen**, to defeat the government's attempts at pushing through the motion.

ODM's Nyanza senators, led by Senate Minority Leader, **James Orendo**, stood faithfully by Kenyatta's men, a clear display at keeping their end of the BBI bargain. In so doing, they find themselves alienated from key sections of ODM, whose *raison d'être* has been to promote the grievances of historically marginalised regions, notably the Coast, Northern Kenya, Maasailand and Luoland.

Odinga's appeal to his senators before the vote in the week ending 8 August to set aside misgivings over the revenue allocation formula and side with the government largely went unheeded. There is now talk of a walkout from the Coast regional bloc, and the prospect of them forming a regional party.

Odinga's thinking is that a favourable outcome of the BBI process will justify the huge compromises he has made over the past two years. It would also enable him to cool down the growing number of doubters in his party.

What some of Odinga's staunchest allies are asking is not so much whether the BBI bromance with Kenyatta will peter out but what options will they have when it does. ●

Negotiations over the BBI report have stalled over the question of the shape of a restructured executive (AC Vol 60 Nos 19 & 24). The two most prominent options are the retention of a strong executive presidency with a premier elected by parliament but subordinate to State House – what some call the **Tanzania** model – or a parliamentary system headed by an executive premier with a titular presidency.

Key to negotiations is the First Family's decision on President

Kenyatta's succession. Kenyatta insists he doesn't want a third term. Whether the Family can identify a trusted nominee is therefore a central issue.

SHARED HISTORY

The growing prominence of Gideon Moi, son of late President **Daniel arap Moi**, in the succession matrix, we understand, should be taken seriously. The two families have a shared history and economic interests.

It is understood, however, that Odinga's people are less enthusiastic with the prospect of a titular role. They reject the idea that Baba – as his supporters know him – would play midwife to another Kenyatta succession drama.

With his informal role as the father of the nation as well as his capacity for political mobilisation set against Kenyatta's shrinking political base, it is still Baba who holds the main cards. ●

KENYA/US TRADE

Trading favours

A trade deal between Nairobi and Washington appears to make political and economic sense for both sides but critics see dangers for Kenyatta

President **Donald Trump** has used his presidency to launch trade wars against **China**, the European Union and his North American Free Trade Association partners. His government has blocked the progress of the World Trade Organization, but in Kenya he has a friend on trade.

One of only a handful of African

leaders to have established a rapport with the US President, and the only one to have made two visits to the White House, President **Uhuru Kenyatta**, is the sole recipient of an offer of a bilateral trade deal with the US (AC Vol 59 No 18).

The negotiating mandate of US Trade Representative **Robert**

Lighthizer finalised in June, contained few surprises. The US will request the lifting of tariffs on all US agricultural products and for Kenya to open up its maritime, textile, telecommunications and financial services markets as part of a new deal. While this could bring more investment from US firms to Kenya, it will not be welcomed by local farmers and textile businesses priced out by cheap imports. As with most international trade pacts, agriculture is likely to present the thorniest problems for the Kenyatta government.

Kenya is adamantly opposed to the importation of genetically modified foods, an area where US agro-industry leads the way.

The US's International Dairy Foods Association, meanwhile, was quick to welcome the talks on the grounds that a US-Kenya agreement could cut into the EU's dominance over dairy exports to Kenya and sub-Saharan Africa and achieve a level playing field free of barriers. In 2019, the EU enjoyed 81% of the Kenya market compared to the US share of less than 1%. The association is also calling for Kenya and the US to align on sanitary and phytosanitary (SPS) measures.

Dairy imports to Kenya carry some of the country's highest tariffs at an average of over 50%, to protect local farmers.

In response, officials in Nairobi have been quick to assure local dairy farmers that their produce will not be undercut by US imports. Kenya's neighbours, meanwhile, have warned that lifting these tariff barriers could fall foul of East African Community (EAC) rules that its members' free trade agreements do not breach regional trade protocols. It is also unclear how the negotiations on this and other sectors will impinge upon Kenya's commitments under the African Continental Free Trade Area (AfCFTA).

Nor is there any sign that the US will look sympathetically on Kenya's hopes of building its domestic textiles industry. Washington reacted angrily earlier this year when Kenya and Uganda slapped bans on imports of second-hand clothing – known as *mitumba* – in the wake of the coronavirus pandemic, arguing that it could spread the virus. This was a repeat of an EAC plan to implement a ban which was abandoned when the US textiles lobby complained and Washington threatened retaliation (AC Vol 58 No 8).

Nairobi's promise to end the ban after the pandemic has not assuaged the US textiles lobby and could have implications for US-Kenya trade talks launched earlier this year.

However, **Amina Mohamed**,

Kenya's well-backed candidate to be the next director-general of the World Trade Organization, told *Africa Confidential*, 'there's absolutely no contradiction' in being a member of AfCFTA and the EAC, and also negotiating bilateral trade pacts. She suggests that a Kenya-US agreement could benefit Kenya's neighbours, saying that 'so long as it's well designed and it's open, it contributes to other members also accessing markets in the countries of the parties' (AC Vol 61 No 15).

KENYA GAINS

If the potential advantages for US industry are obvious, for Kenya, which has consistently run a small trade surplus with the US over the past decade, the most obvious gain is to ensure that the benefits it currently enjoys under the African Growth and Opportunity Act, which offers tariff-free export for around 7,000 products, do not end if, as the Trump administration has promised, AGOA is not extended when it expires in January 2025 (AC Vol 60 No 16).

Clothing, cut flowers, coffee and nuts form the bulk of the around \$600 million of goods Kenya currently exports to the US. If AGOA is scrapped, clothing and flowers would face 5% and 4% tariffs respectively.

In a tender notice seeking to hire a team of technical advisors for the talks, Nairobi's Industrialisation, trade and enterprise ministry states that the negotiations are 'first and foremost aimed at securing duty free and quota preferential market access to the USA which will lapse with expiry of AGOA unless an alternative trade arrangement is in place'.

Yet trade experts believe that Kenya would be selling itself short if tariff and quota-free trade is the limit of its ambitions.

Kenya should grant the US the same agricultural exports conditions

as those granted to the EU, says trade economist **Elijah Munyi**, in return for increased manufacturing foreign direct investment into its export-processing zones. To achieve this, Kenya should negotiate for liberal rules of origin requirements, adds Munyi.

The US sees Kenya as a 'strategic partner, regional leader and commercial hub', says Lighthizer.

US officials have hinted that the Kenya deal – the first bilateral deal offered to an African country by the Trump administration – will be the model for other African countries. However, talks have moved slowly. Although the first round of talks was formally launched on 8 July, they were halted two days later after Kenyan officials expressed concern about the spread of Covid-19 in their negotiating team, and then reconvened in early August.

'We are currently undertaking the first round. Negotiations take two years or more,' Trade Cabinet Secretary **Betty Maina** told the National Assembly.

LEGACY

As ever, time is also a factor. Trump could have as little as four months left in the White House while Kenyatta's second and final term ends in August 2022. Kenyatta sees a US trade deal as a key part of his legacy, say insiders in Nairobi.

But analysts say the move to increase US-African trade has tended to have bipartisan support in Congress and US-Kenya talks are unlikely to be mothballed if Democratic candidate **Joe Biden** secures the presidency in November.

'Kenya will be the first under the new AfCFTA so we are going to be trail-blazers in this and we hope that others will also follow through,' said Kenyatta earlier this month.

The politics of a pact make sense. Whether Kenyatta can secure a deal that gives his economy more than it already has appears less clear. ●

SOUTH AFRICA

Noisy neighbours

The public health emergency and the economic meltdown are deepening the dependence of South Africa's neighbours on the region's dominant power

Trying to manage the biggest Covid-19 outbreak in Africa as well as rebuilding the economy and institutions after the disastrous presidency of **Jacob Zuma** add up to South Africa's biggest challenge since

the end of white rule in 1994. And when South Africa sneezes, it is its immediate neighbours, whose economies are far smaller, who get a cold; that metaphor works for economics as well as pandemics (AC Vol 61 No 14). As the effects of South Africa's recession

spread through the region, there is little sign of President **Cyril Ramaphosa's** pan-African agenda, although he is the current chair of the African Union.

South Africa throws its economic weight around the region, especially with smaller neighbours like **Botswana**, **Lesotho** and **Eswatini**, but the African National Congress government rarely meddles in their local politics. This hands-off approach rankles with some. ANC insiders say senior government officials who spent their exile in the frontline states are reluctant to censure their former hosts.

South Africa, Botswana, Lesotho,

Eswatini and Namibia are linked not only by geography but by the Southern African Customs Union, established in 1910 and one of the oldest such unions in the world. It collects customs revenue for all the countries and shares it back out according to economic contributions and population. It provides a vital income for Eswatini and Lesotho, hard hit by Covid-19. In April, there were reports, strongly denied by local officials, that Covid-19 was rampaging through the royal court in Mbabane.

At a virtual summit in June, SACU finance ministers heard that their economies are forecast to contract in 2020 with Botswana by -5.4%; Eswatini -6.16%; Lesotho -5.7%; Namibia -6.9%; and South Africa -7.0%.

For decades South Africa's mines have been run by underpaid migrant workers, most of whom come from neighbouring countries, immortalised in **Hugh Masekela's** jazz anthem 'Stimela'. The decline of South Africa's mining sector as market demand falls has further undermined those neighbouring economies. Yet mining deals between the nomenklatura in South Africa and the region remain important in commercial and political terms.

FALL OUT IN BOTSWANA

A good example of this is the political spat between a prominent South African businesswoman and the President of Botswana which threatens relations between the two countries, and perhaps beyond.

Although Botswana's President **Mokgweetsi Masisi** took the oath of office in November, President Ramaphosa has yet to meet him (AC Vol 60 No 22). Instead of going to Masisi's inauguration, Ramaphosa went to see the Springboks play rugby in **Japan**; he sent minister in the presidency **Jackson Mthembu** to represent him, which was taken as a snub in Gaborone.

Masisi has just become chair of the Southern African Development Community (SADC) organ for politics, defence and security and is close to President **Emmerson Mnangagwa** of **Zimbabwe**, who is trying to keep his country's deepening crisis from getting onto the SADC agenda.

The roots of Masisi's poor relations with Ramaphosa go back to Botswana politics. Masisi is at loggerheads with his predecessor President **Ian Khama** who has nurtured close ties with top officials in the ANC. Khama's allies challenged Masisi for the leadership of the ruling Botswana Democratic Party (BDP). When they failed, Khama founded the Botswana Patriotic Front to continue the fight against Masisi.

SOUTHERN AFRICA'S REGIONAL IMBALANCE



Khama has long been friendly with Ramaphosa's sister-in-law, **Bridgette Motsepe**, a mining magnate. She and ex-President Khama supported **Pelonomi Venson-Moitsoi** in her bid to become leader of the ruling BDP at its elective congress last year (AC Vol 60 No 8). Venson-Moitsoi quit on the eve of the contest complaining of foul play.

President Ramaphosa dispatched Foreign Minister **Lindiwe Sisulu** in April 2019 to assure his counterpart that he was not behind this politicking in Botswana. Masisi seems sceptical and his allies believe that Khama is still getting South African backing (see feature).

Botswana sources told *Africa Confidential* Masisi feels that Motsepe treats the country like her own property and her relationship with Khama secured her several mining deals in the country.

Motsepe strongly denies funding Venson-Moitsoi's bid to lead the BDP. Her

brother **Patrice Motsepe** successfully sued the Botswana *Sunday Standard* newspaper to force it to withdraw that claim. It is not, in fact an offence under Botswana or South African law for a citizen of one country to fund a political campaign in the other but Patrice considered it defamatory to be portrayed as someone who meddled in the politics of other countries. The diplomatic implications are also toxic.

DOGGED FIGHT

To pursue its claims of wrongdoing by Khama and South African business people, Botswana hired **Gerrie 'the bulldog' Nel**, which was seen as a hostile act in Pretoria. As a former prosecutor for South Africa's National Prosecuting Authority and now running private prosecutions for the mainly white lobby group AfriForum, Nel has a fearsome courtroom reputation.

Gaborone insists it used formal channels in Pretoria to seek assistance

ESWATINI'S KING OF KINGS

Eswatini, formerly known as Swaziland, is one of the last absolute monarchies in the world. Swazi activists have long accused South Africa of ignoring human rights violations in a country where political parties are still banned and the monarch overrides the rule of law. King **Mswati III's** extravagance is legendary: last year he bought 19 new Rolls Royce cars for his wives, mother and entourage. The country has the highest prevalence of HIV in the world, widespread TB, high levels of poverty but no constitution in force.

Activists were irked by the 'very close' relationship between the South Africa's former President **Jacob Zuma** and the king (AC Vol 53 No 12). In 2017, Zuma's son **Mxolisi** married the Swazi princess **Ziyanda Dlamini**. The ex-President's nephew **Khulubuse** married another Eswatini princess in 2014 and Zuma senior became engaged to Princess **Sebentile Dlamini** in 2002.

Eswatini is the only country in Africa maintaining relations with Taiwan and Ramaphosa, we hear, has been 'gently trying to persuade the king to let go of Taiwan' without any success. 'Zuma was his close friend. I don't believe things are different with Ramaphosa even though they're not that close,' another Eswatini activist told *Africa Confidential*. Other reasons why the ANC hasn't intervened in Eswatini political issues, is because of their historical relations and in part because of Maloma, the only operational coal mine in Eswatini, jointly owned by the ANC's investment vehicle, Chancellor House, and the king through his company **Tibiyo TakaNhwane**. ●

with its case over claims of money-laundering against Khama in September. It turned to Nel after it received no answer. On 20 August, AfriForum announced that Nel was seeking to compel Justice Minister **Ronald Lamola's** department 'to take steps to facilitate mutual legal assistance in the money-laundering and fraud case'. The politics of the claims and counter-claims mar Botswana-South Africa relations.

South Africa's difficulties in Lesotho are quite different but also involve legal dramas. Nominally independent, Lesotho has been dubbed South Africa's

tenth province as it is surrounded by its bigger neighbour.

South Africa relies on water from Lesotho and many Basotho citizens receive a social grant from South Africa, where about a quarter of Lesotho's people live. In 2014, then President Zuma appointed Ramaphosa special envoy to Lesotho to monitor the politics, including former Prime Minister **Tom Thabane's** tumultuous rule. Ramaphosa's efforts ensured that 82-year-old Thabane stepped down in May, we hear (AC Vol 61 No 9).

Accused of links to the murder of his second wife Lipolelo in 2017, Thabane

had refused to go, deploying the army on the streets of Maseru in April. During the pandemic lockdown, Ramaphosa sent a high-profile team to negotiate the resignation of Thabane, who remains leader of the All Basotho Congress.

In May, a few days after taking office, the new premier **Moeketsi Majoro** flew to Pretoria to meet Ramaphosa to discuss bilateral relations. An ANC insider contrasted South Africa's relations with Lesotho and Botswana: 'I mean who sends senior special envoys to sort out a PM and his matrimonial issues yet does not announce any plans to meet the Botswana President?' ●

UNITED NATIONS/COVID-19

Governments reject UN report

Diplomatic spat as outraged African officials hold up publication in bid to amend its findings

As **Winnie Byanyima** celebrates her first anniversary as Executive Director of UNAIDS, storm clouds circle her campaigning style. For her supporters, she has brought a breath of fresh air into the UN's guarded pronouncements on any matter remotely political. For her opponents, including **Uganda's** President **Yoweri Museveni**, she continues to take the stance of the civil society activist instead of adapting to international protocols (AC Vol 54 No 11).

The row over UNAIDS' 64-page critical report on how Latin American and African governments have cracked down on citizens during the coronavirus pandemic comes as some UN officials have been speaking out more strongly on civil rights. This month, UN Secretary-General **António Guterres** directly raised concerns about abuses in **Belarus** and **Zimbabwe**, having earlier criticised the police killings in the **United States**, after the killing of **George Floyd**.

Byanyima's UNAIDS report sought to promote better policies to support and manage communities in lock-down. But instead it has inflamed tensions with the governments whose records are under scrutiny.

Ethiopia, Kenya and South Africa accuse the report of bias and misinformation, arguing that Byanyima has exceeded her remit. After initially rebuffing the complaints, we understand that she was persuaded to meet with the diplomats, then agreed to delay publication, with the aggrieved parties given until 17 August to submit their case.

The report, *Rights in a Pandemic: lockdowns, rights and lessons from HIV in the era of COVID-19*, analyses developments in 16 countries, which include **Botswana, Cameroon, Central African Republic, Ethiopia, Kenya, Malawi, Nigeria, South Africa** and **Uganda** (AC Vol 61 No 16).

The Executive Summary gets straight to the argument: 'One of the main lessons learned from the HIV response is that human rights-based approaches and community empowerment must be at the centre of any pandemic response. Discrimination, overreliance on criminal law, curtailing civil society operating space, and failing to take pro-active measures to realize human rights can hamper mobilization of communities to respond to health issues – a necessary ingredient for an effective response.'

It describes how they drew lessons from the HIV response in learning how Covid-19 public health orders restricting movement have undermined human rights. The report paid particular attention to people living with HIV and most affected by HIV – in particular, key populations (sex workers, people who use drugs, gay men and other men who have sex with men, transgender people and prisoners) and women and girls.

'The findings are deeply concerning. While many governments are taking action to affirm human rights protections and empower communities, there are repeated examples of rights violations, particularly early in the spread of the pandemic. Tens of thousands of

people have reportedly been arrested for violating lockdown measures and curfews in these 16 countries. In some countries, the death toll from curfew-enforcement operations exceeded the reported deaths from COVID-19 in the early phases of the epidemic.'

It says that overly broad lockdown restrictions have disproportionately hit women, making it difficult for women in labour to travel to hospitals. Others have been targeted for violence, exclusion and arrest under lockdown orders. Sex workers have been left out of financial support measures in many countries, and hundreds have been arrested.

The report compares recommendations from UN human rights and public health bodies with information about the early Covid-19 response and suggests 10 areas for immediate action.

It then reports on some of the rights abuses, along with advice for improvement. It is backed up with 362 references to media, non-governmental organisations, and government reports.

A review copy was sent out in late July to the UN missions in Geneva offering them 24 hours to revert with comments prior to publication. That led to a frenzy of phone calls, we hear.

MISSION MEMO

The Cameroon mission (which is coordinator on health issues for the African missions in Geneva) sent a memo to UNAIDS on behalf of the featured African countries, plus Zimbabwe, the country with perhaps the worst human rights record on the continent under lock-down.

The letter, which *Africa Confidential* has seen, calls for an urgent meeting with Byanyima 'as we have specific questions and some serious concerns. Firstly, the methodology is inadequately explained. The justification for continents and countries included or not included in the study is unclear and

unsatisfactory, suggesting bias.'

The letter ends by questioning the UNAIDS mandate. 'At a more fundamental level, we are left with questions about the relevance of the report to the UNAIDS mandate and struggle to find a correlation between the content and improved HIV responses. Issues such as generalized state-based violence, criminal laws and their enforcement, whilst a concern for all of us, should be left to the mandated and more competent UN organ.'

A period of intense diplomacy ensued, culminating in a meeting between the ambassadors and Byanyima on 3 August. Byanyima held her ground, suggesting that if they wish to present evidence of error, they should do so by 5 August. Incensed, the African ambassadors sent a more strongly worded memo to her office.

'The discussions yesterday,' they wrote, 'solidified our convictions that the report has fundamental failings related to its sampling methodology, scope, sources of information and

recommendations for action'.

The memo goes on to say 'UNAIDS has demonstrated unwillingness to address the foundational concerns raised by countries and has resorted to issuing a deadline that is neither realistic nor appropriate given the importance of the subject matter'. The paragraph concludes by affirming that 'the deadline proposed is simplistic, unrealistic and confirms our fears that UNAIDS has completely missed the point of all hitherto consultations.'

Byanyima responded by granting a further 10 days for the delivery of responses from the missions, setting 17 August as the new deadline.

CLASH OF STYLES

The spat highlights differences in diplomatic protocol between Byanyima's leadership of Oxfam prior to joining UNAIDS. The unsaid accusation from the Geneva missions is that she is now an international civil servant, answerable to them, and not an NGO campaigner who can produce independent reports.

It also underscores the sensitivities of governments to external criticism.

When contacted by *Africa Confidential*, UNAIDS simply stated that '...the draft you have received is in the process of being fact-checked and reviewed. We will let you know the date of launch when we have it fixed'.

Dr **Matshidiso Moeti**, World Health Organisation Regional Director for Africa, acknowledged the content of the report when questioned at her weekly press conference on 13 August.

'On this emerging report about human rights and these (lockdown) measures, these are not simple questions and easy questions to balance. People were taking measures when in the frame of mind of needing to do something drastic to contain the virus at all costs.

'Certainly, the best way would have been for people to be educated, to be enabled, to be given the means to protect themselves. I think it is our collective responsibility to help the governments and the communities.' ●

CÔTE D'IVOIRE

Ouattara to run for third term

Two heavyweight exiles with legal problems are set to reopen the old fights as they oppose the President's re-election

The decision by President **Alassane Dramane Ouattara** to tear up his promise to make way for a new generation of leaders is a gamble that risks dividing the ruling party and energising the opposition. Ahead of national elections due in October, opposition groups will try to stall Ouattara's campaign by mounting a constitutional challenge to his bid for a third term.

Critics, some of them in the ruling party, argue that contrary to his claims, Ouattara's attempt to stay in the presidency will undermine the country's attempt to relegate the country's bitter political conflicts to history. Waiting in the wings is Laurent Gbagbo, Ouattara's old rival, preparing to return to Côte d'Ivoire, to cheer on the opposition.

Ouattara's core case for staying on rests on the security argument. Marking the country's independence day on 7 August, President Ouattara tweeted early in the morning: 'I am sure that, in our hearts, we will find strong reasons at all costs to preserve the peace and stability of our country.'

The previous evening on state television, Ouattara said he had decided to stand following the sudden

death of his designated succession candidate **Amadou Gon Coulibaly**. This is something of an insult to **Hamed Bakayoko**, the former Defence Minister whom Ouattara appointed Prime Minister in early August.

Bakayoko, who is far more of a campaigning politician than the more technocratic Gon Coulibaly and Ouattara, had been a contender for the presidential ticket. But Ouattara's personal ties to Gon Coulibaly assured him of the nomination. There are reputational questions about Bakayoko but evidently not serious enough in Ouattara's mind to preclude his appointment as prime minister.

Ouattara's decision to run again had been coming since the council of the ruling *Rassemblement des houphouëtistes pour la démocratie et la paix* (RHDP) asked the President to step into the breach in the first week of August.

The message was reinforced by new prime minister, Bakayoko, who had been the most plausible alternative nominee. In declaring his candidacy, Ouattara has reneged on his widely applauded commitment on 5 March to make way for a new generation.

In his television address he referred

to this U-turn, describing how he had begun to prepare for a post-presidency life after a planned handover to Gon Coulibaly. Then he set out his justifications for another term.

He needed to manage the Covid-19 crisis and the demands of national security, after last month's clash between the military and jihadist militants in the north-east. More widely, he argued, the gains of the past decade, following the country's civil war and protracted political confrontation, could be jeopardised if he quit the scene now.

FORCE MAJEURE

Reactions to what Ouattara described as a case of *force majeure* – the death of the successor he had trusted to carry forward his work had compelled him to rethink his plans to quit – have divided along partisan lines.

There is relief and celebration among those RHDP activists, who believe that only Ouattara has the personal standing to preserve the party's dominance at the polls. Many had thought the self-effacing Gon Coulibaly would have struggled on the campaign trail without Ouattara's backing.

But opponents are attacking Ouattara's decision as unconstitutional and are planning to appeal to the Constitutional Council. With more than half its judges appointed by the President, the Council is unlikely to block Ouattara's path. Yet it will prolong uncertainty and slow down the early weeks of his campaign.

In October, Ouattara will face

opponents, representing a broader range of opinion than in 2015, when the hegemonic RHDP's main challenger was **Pascal Affi N'Guessan**, leading the half of the *Front Populaire Ivoirien* (FPI) that was no longer loyal to former head of state **Laurent Gbagbo**.

At the time Gbagbo was on remand at the International Criminal Court (ICC), telling his followers they should boycott what he regarded as an illegitimate contest.

This time around Ouattara will face at least four main contenders:

- Former president **Henri Konan Bédié**, who two years ago led his *Parti démocratique de la Côte d'Ivoire* out of the RHDP camp;
- **Pascal Affi N'Guessan**, for the FPI;
- **Albert Mabri Toikeusse**, of the formerly government-aligned *Union pour la démocratie et la paix en Côte d'Ivoire* (UDPCI);
- Former Foreign Minister **Marcel Amon-Tanoh**.

The last two are less powerful players but could draw votes from Ouattara and the RHDP in the all-important first round. If Ouattara fails to win in the first round and faces a united opposition in the second round, his gamble could end badly.

JADED

Those candidates may be beatable – if Ouattara can find a way to enthuse enough of an electorate that is jaded by the quarrels of the political class. That electorate, as is true across West Africa, is youthful and frustrated by the old guard.

The president made his pitch on television: after years of relative stability and high economic growth, don't throw it all away, he told Ivorians.

That prosperity has been far from universally shared. It contrasts with **Senegal**, where President **Macky Sall's** administration has sharply boosted funding on rural development.

Belatedly, Ouattara has recognised such shortcomings and has accelerated social programmes to compensate. He concedes that there is much more to do, particularly for young people, who now figure heavily in politics, especially in the sprawling commercial capital Abidjan with its eight million people.

And there are two charismatic political leaders with support among youth and able to touch these raw nerves. They could shape the contest by mobilising anti-Ouattara opinion, even from their enforced residence in Europe: they are Gbagbo and former parliamentary Speaker **Guillaume Soro**.

Gbagbo has now been given the ICC green light to travel freely but is still waiting to discover if the Ivorian authorities will give him a passport or other document allowing him to board a flight home. If Gbagbo is allowed back, the next few months could take a very different turn. ●

MALI

No road back for Keïta

Mutinous soldiers have delivered the coup de grâce to a failing regime as envoys go through the motions of trying to restore the president

The pro forma condemnation by West African leaders of the overthrow of the hapless President **Ibrahim Boubacar Keïta** on 18 August – not to mention the strong popular support for the new military junta – is a poor omen for their efforts to reverse the coup. The 75-year-old IBK is yesterday's man as Mali's politicians and soldiers look beyond him for a way to stabilise the country.

Plans for a delegation of three regional leaders to visit Bamako to demand the reinstatement of Keïta have been downgraded to another visit from the Economic Community of West African States (Ecowas) envoy, **Nigeria's** former President **Goodluck Jonathan**, after a meeting on 20 August.

The coup started as a mutiny in the Soudiata Keïta Camp in Mali's principal garrison town of Kati in the early hours of 18 August. During the day it gathered steam, and President Keïta and his son **Karim Keïta**, along with Prime Minister **Boubou Cissé**, were soon in custody.

Earlier, soldiers arrested other key ministers, including Defence Minister **Ibrahima Dahirou Dembélé**. Other detainees reportedly include: the former head of State Security General **Moussa Diawara**; the head of the National

Guard **Ouahoun Koné** and other high-ranking officers, including the special military aide of IBK, Colonel-Major **Oumar Daou** (nicknamed 'Baron').

Late on 18 August, a frail President Keïta made his last and shortest address to the nation, saying he had no choice but to resign and dissolve parliament and the government. 'I do not want blood to be shed to keep me in power,' he said.

The next day, the junta – under the name of the *Comité National pour le Salut du Peuple* (CNSP – 'national committee for the salvation of the people') – set out its plans at a press conference in Kati (see box accompanying cover feature). Spokesman Colonel-Major **Ismaël Wagué** led proceedings flanked by four more colonels: junta leader **Assimi Goïta**, **Malick Diaw**, **Modibo Koné** and **Sadio Camara**.

After setting out their complaints about corruption, violence, poor public services and insecurity they said government would be in the hands of a transitional council of 18 civilians and six soldiers, the head of which would also be interim head of state.

They would launch constitutional reforms. The Algiers Peace Accord signed in 2015 between mainly Touareg

northern armed groups and the government would be implemented, and security would be restored in the north and the centre of the country (AC Vol 56 No 13). Surprisingly, the CNSP also gave a precise date for when Mali's next elected president would be installed: 25 May, 2021.

It added that it would continue to work with all international military partners in Mali, including the UN *Mission multidimensionnelle intégrée des Nations unies pour la stabilisation au Mali* (Minusma) peacekeeping force, the **French** military's *Opération Barkhane*, the new European Union mission, Operation Takouba, and the regional G5 Force Sahel (AC Vol 61 No 15). This last promise puts them at odds with the opposition *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP), which led the protests that undermined President Keïta's government.

MILITARY ILL WILL

There are long-standing complaints in the army about pay and conditions, mainly the desultory salaries they receive when they are sent to the front to fight an elusive and deadly enemy. The stench of corruption has hung around procurement of sub-standard military kit, which is routinely over-invoiced. Fingers have been pointed at the unpopular President's son, **Karim**, until July the President of the Defence Commission in the National Assembly, from which position he allegedly tried to influence military purchases. The army is known to be stuffed with 'ghost' soldiers.

Karim's lavish lifestyle, often in the company of business friend and presidential advisor **Sidi Mohamed Kagnassi**, prompted widespread contempt. Video of a raucous party holiday Karim enjoyed in **Spain** last year surfaced on social media this year just as the street protests against his father were gathering pace and helped fuel resentment. It prompted his resignation from the Defence Commission.

One of the first dossiers the CNSP wants to submit to the judicial authorities concerns the acquisition of military kit, plus the long-standing scandal of the Boeing 737 presidential jet (AC Vol 56 No 20).

Others note that on 7 August, the UN Panel of Experts on Mali, which was created in 2017, handed its latest report to the UN Security Council. It contains serious allegations against senior Malian army officers and Director of State Security Diawara. It says top military officers have been protecting armed groups and criminal networks trafficking people and drugs.

Top officers also stand accused of complicity in massacres in central Mali last year (AC Vol 60 No 8). The accused include former Chief of Staff of the armed forces **Kéba Sangaré**, who was fired after two massacres on his watch, and Gen Diawara.

Col Wagué had declared that the military has no links with the opposition M5-RFP's agenda. This lack of interest may be because the M5-RFP has become a playground for former

ministers trying to reinvent themselves.

Most prominent among them is former Communications Minister **Choguel Maïga**, who on 20 August tried to regain some of the initiative by repeatedly insisting that the military had 'heeded the call of the people'. M5's official spokesman **Issa Kaou N'Djim** expressed himself in similar terms. As *Africa Confidential* went to press on 21 August, a large demonstration by M5 to commemorate the victims of last month's street clashes was due to take place.

Wagué's offhand references to M5 suggests that the military thinks that its problems with the former government are being resolved and the rest will be up to the interim government. This includes the M5's political agenda, which does not concern the soldiers.

Intriguingly, neither does this appear to concern **Imam Mahmoud Dicko**, the man credited with mobilising mass protests in Bamako and widely seen as their leader. On 20 August, Dicko announced his resignation from active politics, saying that his mission had been accomplished. This may, however, be the kind of retirement that could be reversed in an instant in the right circumstances.

What becomes of ex-President Keïta? The CNSP does not appear to have an opinion. This is unlikely to extend to Keïta Junior, who remains in military custody along with an unspecified number of ministers and senior officers deemed by the putschists to be members

of a corrupt cabal who undermined the Algiers Peace Accord.

The CNSP wants to see Karim Keïta put on trial. His role in military procurement may have undermined the military's fight against the Islamists and other armed groups. Reports from Bamako say that people have already started ransacking Karim Keïta's residences.

On 20 August, Ecowas suspended Mali's membership of the organisation, closed all borders and froze all financial transactions. Wagué has already said that he will talk to Jonathan, even though Ecowas released a tough-sounding statement condemning the coup on 20 August. It was said to be influenced by **Alpha Condé** and **Alassane Ouattara**, the Presidents of **Guinea** and **Côte d'Ivoire**, who are both standing for constitutionally questionable re-elections to third terms this year. Ecowas has demanded the immediate reinstatement of Keïta, although nobody really expects that to happen.

Few others have made that demand. France's President **Emmanuel Macron**, who was not close to Keïta, chose to focus his comments on political stability and the campaign against the insurgents. With almost all the military backing the junta, amid support on the streets, Col Goïta and his officers have some powerful cards to play in the next round of negotiations with Ecowas in Bamako. ●

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POINTERS

Sudan/Israel/Morocco

TERMS OF RE-ENGAGEMENT

■ Normalise relations with Israel and compensate the victims of *Al Qaida* terrorism was the straightforward message from US Secretary of State, **Mike Pompeo**, to Sudan's Prime Minister **Abdalla Hamdok** during his brief visit to Khartoum on 25 August.

Hamdok's diplomatic response was the transitional government had no mandate to normalise ties with Israel – formally, the two countries are still at war. That would be for the next elected government to decide.

Hamdok is edging closer to persuading the US to remove Sudan from its list of state sponsors of terrorism, where it has been since 1993. But Sudan, its economy battered by the former regime and the pandemic, can't raise the \$330 million requested by Pompeo in compensation to American victims of *Al Qaida* in the 1990s, including victims of the East African US embassy bombings in 1998.

Some sort of cooperation between Tel Aviv and Khartoum might be possible, but the full normalisation of relations demanded by Pompeo would not fly with any of the key political constituencies in Sudan – from the left to the Islamists.

Since the ousting last year of President **Omer el Beshir**, who had boasted of links to *Hamas* and Iran, there have been sporadic talks between the transitional government and the Israeli government.

Last week, **Haidar Badawi** was sacked as foreign ministry spokesman after saying that Sudan was 'looking forward to concluding a peace deal with Israel'.

While the **United Arab Emirates**, which has promised big foreign loans to Hamdok's government, has restored diplomatic relations with Israel, long-standing hostility to the country remains unchanged in several African powers. On 23 August, Morocco's Prime Minister **Saad Eddine el Othmani** rejected the idea of his government normalising relations with Israel. **South Africa** has also registered its concern at the peace deal between Israel and the UAE concluded last week.

Zambia

THE GOVERNOR AND THE GUV'NOR

■ Giving no reason, President **Edgar Lungu** sacked the respected governor of the central bank, the Bank of Zambia, **Denny Kalyalya**, replacing him with **Christopher Mvunga**, formerly Deputy Secretary to the Cabinet. The move is widely seen as political interference. **South African** Finance Minister **Tito Mboweni** angrily tweeted that Lungu must explain

himself 'or hell is on its way. I will mobilize!... This is not some fiefdom of yours.' However, he was almost immediately slapped down by President **Cyril Ramaphosa** and, after saying he was standing his ground, later deleted the tweets.

Kalyalya won credit for his role in keeping Zambia's economy from collapse amid ballooning debt and a fast-weakening currency (AC Vol 56 No 23). Mvunga looks underqualified and his close friendship with Lungu suggests the head of state is removing a safeguard against government financial mismanagement.

There is speculation that Kalyalya was resisting pressure from the ruling Patriotic Front (PF) to use depleted foreign reserves and funds earmarked for Covid-19 relief to pay debts and fund electioneering.

Kalyalya recently warned that inaction on the economy was 'threatening our very existence'. Covid-19 funds were at risk of being 'used in a different way'.

The change comes at a critical moment for Zambia's relations with the International Monetary Fund. Lusaka has requested US\$300 million, we hear, from the Fund's Rapid Credit Facility, which is earmarked for mitigating the effects of the pandemic and comes with easier conditions (AC Vol 61 No 7). The looser conditionality could mean that some of the money is diverted into the PF's 2021 election war chest.

An IMF statement on Kalyalya's dismissal drily 'noted' the change at the bank and came as close as it ever does to criticising sovereign policy in remarking, 'It is imperative that central banks' operational independence and credibility is maintained.'

Côte d'Ivoire

THE DOWNSIDE OF A LANDSLIDE

■ That the *Commission électorale indépendante* (CEI) would clear President **Alassane Ouattara** to stand for a third term – as happened on 24 August – was never in doubt, despite the questions about its legality that have dominated public debate. Equally clear is the fact that he is the overwhelming favourite to win the October presidential election, especially with the full weight of the government machine behind him.

Much less certain is whether Ouattara can serve a third term without risking a fresh bout of tension and violence. The incumbent's 6 August announcement that he would run after all, abandoning the retirement plan he had proclaimed only in March, sparked violent protests that left at least six dead in the home towns of his political opponents.

His formal investiture as the *Rassemblement des houphouëtistes pour la démocratie et la paix* (RHDP) candidate at a packed Abidjan stadium rally on 22 August provoked further unrest in Bonoua, Gagnoa and in Divo, where at

least two died. Amnesty International claims that the government security forces dispersing demonstrators were backed up by at least two gangs of armed youths.

The compliant CEI has also helpfully ruled that both former parliamentary speaker and militia leader **Guillaume Soro** and ex-President **Laurent Gbagbo**, both potential candidates, may not vote, let alone stand for office.

Quattara has declared his ambition to secure a first-round knock-out victory in October. And that certainly looks within reach unless former President **Henri Konan Bédié** can find the energy and popular touch to reach beyond his Baoulé electorate and seriously challenge Ouattara, while other contenders try to peel disillusioned fringes off the RHDP electorate (AC Vol 61 No 13).

Mauritania

DON'T YOU KNOW WHO I AM?

■ Ex-President **Mohamed Ould Abdel Aziz** has just returned home after a week of detention and interrogation by police over allegations of corruption during his 11 years in office. It is not the kind of treatment the former head of state expected from the ruling party he created (AC Vol 60 No 13).

Embezzlement of public assets, influence-peddling and tax evasion are among the allegations against the Abdel Aziz regime contained in a parliamentary report that examined the management of oil revenues, sale of state property in Nouakchott, the liquidation of a state-owned food supplier and questionable activities by **Chinese** fishing company Poly Hong Dong.

Abdel Aziz is believed to be furious at what he sees as betrayal by the ruling *Union Pour la République* (UPR), which he founded, and current President **Mohamed Ould Cheikh el Ghazouani**, whom he picked.

Abdel Aziz ignored invitations to meet parliament's enquiry committee but on 5 August its report was passed to anti-graft prosecutors whom he could not so easily ignore. There was speculation he would flee to northern Mali but he presented himself at police headquarters 12 days later. However, he refused to answer questions, claiming presidential immunity, and that led to his imprisonment.

Moctar Ould Djay, former finance minister and now chief executive of the state iron ore mining company, has also been interviewed by the police at least twice.

Abdel Aziz's lawyers insist that he is untouchable because no legal means of trying former presidents yet exists. A High Court of the Republic, which would have such powers, is still on the drawing board. The counter-argument is that presidents are subject to normal judicial processes when accused of acts outside the proper exercise of their official functions.

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BLUE LINES

As President Nana Akufo-Addo becomes chairman of the Economic Community of West African States and the Secretariat of the African Continental Free Trade Area prepares to start operations in Accra, it's a bad time for Ghana to get into a trade row with Nigeria.

The roots of the current froideur are in Nigeria's closure of all its land borders a year ago, which has slowed trade along the West African seaboard, with some Ghanaian companies blaming the move for production cuts and bankruptcies. Ghana sympathised with Nigeria's immediate neighbours - Benin, Niger and Cameroon - which argued the border closure defied the single-market principle of Ecowas. In January, Akufo-Addo proposed negotiations but these made little progress against the economic pressures of the coronavirus pandemic.

A few months later, a bizarre incident in which a land dispute resulted in a private contractor demolishing a building in Nigeria's diplomatic compound in Accra further poisoned relations. That amplified longer-held grievances by Nigerian traders in Ghana, which forbids all foreign nationals from operating retail businesses unless they invest US\$1 million in the country, a sum beyond the means of most Nigerian traders. As tensions grew, more Nigerian businesses have been closed down in Ghana. Some traders fear that getting tough with big brother Nigeria could become an issue in Ghana's elections in December, militating against an early settlement.

RWANDA

Exile flies into a trap

The celebrated hotel manager turned regime opponent was flown to arrest in Kigali by the President's favourite charter jet company

Paul Rusesabagina, the real-life character behind the 2004 Hollywood movie *Hotel Rwanda*, ended up on show in Kigali in handcuffs on 4 September raising myriad questions of international law as President **Paul Kagame's** government faces mounting regional opposition.

Athens-based Gainjet, regularly used by Kagame, owns the Challenger 605 long-range business jet, registration SX-FSA, which flew Rusesabagina out of Dubai just after midnight on 28 August, arriving in Kigali just before 6am.

A long-time political opponent of Kagame's government, Rusesabagina will be tried for acts of terrorism committed by groups Kigali claims were under his control. Piecing together a picture drawn from President Kagame's statements at a 6 September press conference with speculation by members of Rusesabagina's inner circle and experts familiar with intelligence service methods, the indications are that Rusesabagina did not know he was entering the lion's den when he boarded the aircraft.

Whether Rusesabagina, who is in poor health after receiving chemotherapy treatment in the **United States**, was tricked into getting onto the plane hired by the Rwandan government or was forcibly abducted is irrelevant according to laws governing rendition of suspects.

Photos on Gainjet's website show the Challenger has a 'luxuriously appointed and spacious interior', and a range of 4,600 miles. Ironically, in the circumstances, Gainjet stresses that 'passengers are sure

to arrive to their destinations well rested and ready for whatever awaits them.'

Africa Confidential called Gainjet's operations personnel several times and left a message but received no reply. Gainjet is yet to explain whether it knew the identity of its passenger and whether Rusesabagina boarded the flight to Kigali voluntarily.

FREQUENT TRAVELLER

Gainjet has taken President Kagame all over the world. Their relationship goes back at least to 2012 when Kagame flew in a Gainjet Gulfstream 450 to Luton airport, in southern England, to attend a summit on family planning alongside the then **United Kingdom** Prime Minister **David Cameron**, **Uganda's** President **Yoweri Museveni** and the US philanthropist **Melinda Gates**.

That plane appeared to be a favourite with Kagame, who used it to attend the World Economic Forum in Davos in January 2014 and again in March to go to Ireland, according to plane-spotters. It also took him to **South Africa** in July 2018 for the meeting of the **Brazil-Russia-India-China-South Africa (BRICS)** group.

Since June this year Gainjet has flown five return trips to Kigali, the most recent being from Kigali to Moscow on 22 August and back again on 30 August. Other Gainjet aircraft, including the one Rusesabagina boarded, have flown to Kigali before. Gainjet was founded in 2006 by **Ramsey Shaban**, the former chief pilot of Iraqi Airways. The company flew its Boeing 757 from Washington to Dublin, then on to Benghazi on 2 August at the height of

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US discussions with **Libyan** National Army commander **Khalifa Haftar** about a ceasefire with the Tripoli government.

Rusesabagina had arrived in Dubai on a direct Emirates flight from Chicago at 18.45 local time on 27 August and stayed for a few hours in a hotel, according to a **United Arab Emirates** official who spoke to the broadcaster CNN, before boarding the Challenger at Al Maktoum airport, one of Dubai's two international airports. No information has emerged about who was also on the aircraft apart from the Gainjet pilot and co-pilot. Media reports say his family and friends did not know why he was in Dubai except for 'meetings'.

Rwanda never publicly announced where Rusesabagina's flight to Kigali originated, although it claimed it received international co-operation and that there was an international warrant out for him. The fact that UAE officials spoke anonymously to CNN invited speculation that they wanted to distance the country from any suggestion of involvement in a

rendition, saying that all who boarded the aircraft did so voluntarily. This begs the question, however, as to what international cooperation there was if nothing untoward happened on the ground in Dubai.

Kigali has not published the warrant it referred to, but it issued one in 2010 which led to an unsuccessful extradition attempt and court hearings in **Belgium**. A court then heard that Kigali accused Rusesabagina of financing the *Forces Démocratiques de Libération du Rwanda* (FDLR), the mainly Hutu exile group in **Congo-Kinshasa** thought to comprise the remnants of the forces that committed the 1994 genocide. The Paris-based *Jeune Afrique* publication reported it had sight of a 14-page warrant issued against Rusesabagina in November 2018 in which he was accused of 'constitution of an illegal armed group', and six further violations of Rwandan law including murder, armed robbery, 'incitement to insurrection' and arson.

Last year, Rusesabagina's house in Belgium was searched by local police in the presence of his lawyer and officials from the Rwandan embassy. Nothing incriminating was found at the time.

Rusesabagina has been under attack by the Rwandan government ever since *Hotel Rwanda* was released. He became a critic of Kagame before leaving for exile in Belgium in 1996. He later called for Kagame's overthrow. His name has been linked to more than one exile group operating in eastern Congo-K, including

one with links to groups engaged in attacks within Rwanda itself, especially close to the border with Burundi (AC Vol 59 No 16). Over the past year, we hear, a third of the Rwandan Defence Force has been deployed to protect that border with Burundi.

The *East African*, a regional newspaper, briefly interviewed Rusesabagina in custody by phone on 7 September. Asked about his activities, he said: 'I formed my own political party PDR-Ihumure to promote justice'. When asked about 'innocent victims' of armed action in southern Rwanda by a group which was recently formed by a merger of PDR-Ihumure and two others, he was reported to say, 'I'm sorry as a responsible person, but everyone has to be responsible for his actions.'

In his press conference President Kagame claimed that groups Rusesabagina led had killed people in three districts in the south-west. In what's generally been taken as an allusion to Rusesabagina being caught in a sting operation, Kagame said, 'how he got here was more about himself than anyone else... if you feed somebody a false story that fits well in the narrative of what he wants to be and he follows it and he finds himself in a case like that...' When asked if Rusesabagina was kidnapped or tricked, Kagame said, 'Kidnap was not the case. Rusesabagina will attest to that himself.' He drew an analogy: what had happened to Rusesabagina was like him 'calling the wrong number'. ●

SOUTH AFRICA

How to defend the indefensible

If ANC Secretary-General Ace Magashule isn't caught up in a prosecution, the President's clean-up could be stopped in its tracks

Leading South Africa's delegation for crisis talks in Zimbabwe on 8 September – no matter how tortuous – must have been a welcome break for **Ace Magashule**, away from the cauldron of local politics. Along with a posse of top politicians allied with ex-President **Jacob Zuma**, Magashule has become a symbol of the era of state capture in South Africa.

As Secretary-General of the African National Congress (ANC), Magashule suffered a serious reverse when the National Executive Committee (NEC) rejected his attempt to block President **Cyril Ramaphosa's** anti-corruption rules, then force Ramaphosa from office.

Now Ramaphosa's backers are jubilant. One told *Africa Confidential*

that they 'were looking forward to a good Christmas'. They are certain that Magashule's star is on the wane.

A former Premier of the Free State, Magashule has been named, along with former Free State Agriculture Minister and subsequently the national Minister of Mines **Mosebenzi Zwane**, in an investigation which has found that most of the 220 million rand (US\$12m) intended for a dairy project in the small, rural town of Estina was diverted to companies owned by the Gupta family, Zuma's business allies who fled South Africa shortly after Ramaphosa became President in February 2018 (AC Vol 59 No 4). Magashule has been the beneficiary of much Gupta munificence, and his two sons have worked for

Gupta-owned companies.

South Africans have been waiting with impatience for the National Prosecuting Authority (NPA) to bring charges against a political heavyweight for crimes relating to 'state capture'. **Hermione Cronje**, the head of the NPA's investigative unit, raised hopes on 30 August saying it would charge 'a high-profile individual' in September relating to the Estina scandal. Zwane and Magashule fit that definition.

In late August, Zwane complained to the ANC that the special police unit, the Hawks, were trying to coerce him into implicating Magashule during their investigations.

Magashule is due to give a 'wide-ranging interview' to the ANC's Integrity Commission about his dealings with the Guptas and other accusations. However, the Commission has only the power to make recommendations to the NEC.

As ANC Secretary-General and manager of the NEC's meetings, Magashule could marshal enough support within the body to protect him from censure. But if Magashule is charged by the NPA, everything

changes. Under the new rules approved by the NEC he would then be obliged to step down from the position of Secretary-General until the case concluded, albeit on full pay.

That is, if Magashule plays by the rules. Like several others, he could just ignore the party rules on corruption and use his position as Secretary-General to challenge Ramaphosa's authority again. Whatever happens, his lawyers, like Zuma's, may try to drag out the case as long as possible in the hope that the country's crashing economy will weaken Ramaphosa, and his current graft-busting enthusiasm.

If Magashule is not charged, or if he is charged and acquitted, Ramaphosa's new-found majority support on the NEC could crumble. Then Magashule, and other Zuma allies, could launch another fightback claiming they are being victimised.

BANK CHARGE

An important weapon for this counter-offensive could be the bank statements relating to the campaign supporting Ramaphosa's bid for the party presidency in December 2017. The former Public Protector **Busisiwe Mkhwebane**, another close ally of Zuma, has previously claimed these statements showed evidence of money laundering (AC Vol 60 No 11).

That claim was set aside in March by the North Gauteng High Court, which accepted Ramaphosa's request that the statements be kept secret. In any case, the statements were leaked and are embarrassing for the President, showing that the campaign cost up to R1bn, and

involved all manner of payoffs seemingly at odds with Ramaphosa's assurances.

Ramaphosa will probably be able to explain the matter to the satisfaction of the ANC Integrity Commission, many of whose appointees are party members who rose to prominence during **Thabo Mbeki's** presidency and detest Zuma and his acolytes. Despite the Magashule group's accusations, there seems no prospect of criminal charges against Ramaphosa relating to his campaign's bank statements.

Yet continued accusations of hypocrisy and being too close to Western capital could fatally undermine Ramaphosa's presidency. With the latest data recording a 50% drop in national income in the second quarter of the year during the pandemic lockdown, the country faces grinding economic hardship for the next year at least.

Some economists forecast the recession will drag on until the next elections in 2024. However long, the weak economy will test Ramaphosa's determination to push through reforms and retain grassroots support.

Other weapons in the Zuma faction's fightback will be a stream of leaks to the press about tender corruption committed by Ramaphosa-aligned members of the ANC. The generation of rents for the politically connected from the award and implementation of government tenders, dating back to National Party rule and apartheid, has become ingrained in South African politics. Evidently, many supporters of Ramaphosa's faction expect to find ways to profit from their connections.

The Independent newspaper group,

headed by **Iqbal Survé**, once close to Zuma but whose business empire now faces legal and financial woes, is eager for such stories. Independent news sites such as News24, the Daily Maverick and the *Mail & Guardian*, early supporters of Ramaphosa, now carry reports showing the lack of progress in the fight against corruption.

SCORES

The NEC's new rules might help Ramaphosa with his Magashule problem, particularly if the NPA launches prosecutions. But they could store up trouble for the party down the line. ANC structures are already compiling lists to head office detailing members who have been convicted, charged or accused of corruption. Arguments are breaking out about who should be included.

Some activists warn the ANC could create a Stalinist climate where people are accused and put on lists to settle political scores. Although Ramaphosa's supporters judge that internal ANC politics are finally swinging their way, there are lingering concerns that the anti-corruption regime risks starting a new form of factionalism.

New rules for the ANC won't by themselves stop the criminality or speed investigation and prosecution of it. Some want specialised and fast-track anti-corruption courts. Others are pushing for tougher laws and penalties, including long custodial sentences for any officials found guilty of misuse of public funds. In the end, what happens in the criminal justice system will have far more effect than new party edicts. ●

SOUTH AFRICA

Cyril wins a battle over graft

With backing from ANC leaders and vast evidence, the President can make good on his pledge to prosecute rogue officials

It may prove to be the most decisive two days in **Cyril Ramaphosa's** presidency. He went into the National Executive Committee of the African National Congress on 29 August facing a concerted attempt by his predecessor, **Jacob Zuma**, to topple him and derail prosecutions of officials suspected of corruption. Zuma had written an open letter to Ramaphosa, accusing him of hypocrisy and betraying the ANC's revolutionary credo.

The bid by Zuma, backed by ANC Secretary-General **Ace Magashule**, failed dismally with Ramaphosa

marshalling a comfortable margin of support on the 86-strong committee for tougher measures against rogue officials and their business allies.

At the end of the marathon meeting, Ramaphosa broke with tradition and spoke directly to the public in a televised news conference about the governing party's internal deliberations. He was trying to regain public confidence in his government's repeated pledges to prosecute corrupt officials and crack down on the party's patronage network.

The core question is what Ramaphosa does with this backing from the ANC

leadership: whether the revamped National Prosecuting Authority will start winning cases against corrupt officials. The NPA outsourced much of its investigative work after the Zuma government undermined its operations, planting spies and saboteurs in key areas of the organisation.

We hear that Ramaphosa's newfound support in the ANC executive, combined with a regulatory move to allow evidence presented to the Zondo Commission – the ongoing inquiry into 'State Capture' – to be used by law enforcement agencies, could lead to the first high-profile arrests in the coming weeks.

'Authorising the commission's extensive data to be used as evidence in the prosecution of perpetrators is a hugely significant step towards their successful prosecution,' said a legal source close to the process.

Ramaphosa defused the confrontation with former President Zuma by volunteering to explain to the

ruling party's Integrity Commission the source of the money for his presidential election campaign in 2017. He also urged them to draw up clear financing

guidelines for future internal ANC elections.

Ramaphosa's election financing was the subject of an unsuccessful

attempt by the then Public Protector, **Busisiwe Mkhwebane**, to link him to money-laundering, accepting money from some dubious sources which could exert undue influence over the President, and misleading Parliament (AC Vol 60 No 15).

A High Court ruling set aside Mkhwebane's report on his campaign funding which is now likely to go on appeal to the Constitutional Court. The row over Ramaphosa's election finance has hobbled his efforts to clear out corruption in the ANC leadership.

Having won the argument at the NEC, Ramaphosa may choose to delay his planned cabinet reshuffle. If the anti-corruption campaign picks up pace at last there could be many more vacancies in government and in the party structures. A younger generation of leaders such as Justice Minister **Ronald Lamola** is likely to gain prominence.

But there are questions about the future of Deputy President **David Mabuza**, whose last-minute decision to switch his support in December 2017 was critical in helping Ramaphosa win the ANC Presidency.

Mabuza was not appointed to the cabinet but served as Deputy President of the country based at party headquarters, breaking with tradition that President and Deputy both operate from the Union Buildings in Pretoria.

This week, the Integrity Commission said that Mabuza, who has kept a low public profile as Deputy President, had not been cleared, as was assumed in political circles.

He made a brief appearance at the ANC's special executive meeting, confirming that he had been seriously ill for a month. He said he was willing to appear before the Integrity Commission and not averse to stepping aside if required to do so. That opens the question of who might succeed Mabuza. The two favourites are Foreign Minister **Naledi Pandor** and Minister in the Presidency, **Nkosazana Dlamini-Zuma**, who has been extending her authority during the pandemic.

IMMINENT ARRESTS

Since June, court actions against senior officials from three state-owned enterprises to recover looted funds suggest that high-level arrests could be imminent alongside legal efforts to retrieve hundreds of millions in plundered cash.

The targets of these actions include **Brian Molefe**, **Anoj Singh** and **Matshela Koko**, the top leadership of the electricity utility Eskom which is accused of siphoning off billions of rands; **Luke Montana**, the former Chief Executive Officer of Passenger Rail

LEADERS LINE UP FOR INTEGRITY TEST

The duelling duo at the top of the African National Congress – President **Cyril Ramaphosa** and Secretary General **Ace Magashule** – are expected before the party's Integrity Commission within days to face questions on corruption allegations.

Ramaphosa will be questioned on private donations to his election campaign for the ANC presidency in 2017 and Magashule on his statement that he would refuse to stand aside from his key party position after facing serial allegations of corruption as Premier of the Free State.

The commission was set up in 2012 but saw little action during President **Jacob Zuma's** nine years in office (AC Vol 60 No 11). It came back into play before national elections in May 2019 when it vetted 23 candidates before they were confirmed for Ramaphosa's cabinet. Four of them still hold political office.

Deputy President **David Mabuza**, who has faced various allegations of fraud in the past, withdrew from the swearing-in ceremony in parliament at the last minute in May 2019 when he was told that he would have to appear before the commission.

ANC Chair **Gwede Mantashe** appeared before the Integrity Commission regarding free security upgrades he accepted for his house from the late **Gavin Watson**, and his company Bosasa. Ramaphosa's son **Andile** also received funds from a Bosasa company, embarrassing his father (AC Vol 59 No 23).

The commission played a significant role in weeding out corrupt candidates on the ANC's election list which assisted Ramaphosa in making sweeping cabinet changes. Candidates the Integrity Commission wanted removed from the party's list for parliament included former Mineral Resources Minister **Mosebenzi Zwane**; former Northwest premier **Supra Mahumapelo**; former house chair of the National Assembly **Cedric Frolick**; and former Postal Services and Telecommunications Minister **Siyabonga Cwele**.

Serving officials who are not under pressure to step aside include Deputy Finance Minister **David Masedo**, who is accused of abusing the criminal justice system to get back at his girlfriend; **Khumbudzo Ntshavheni**, Minister of Small Business Development who has a high court judgment against her; **Thandi Modise**, National Assembly Speaker who was charged with cruelty to animals; **Derek Hanekom**, who, by his own admission, conspired with the opposition Economic Freedom Fighters (EFF) to topple Zuma; deputy Minister of Public Service and Administration **Sindisiwe Chikunga**; and **Zizi Kodwa**, Deputy Minister of State Security.

Others deemed unsuitable for cabinet appointments by the commission include former State Security Minister **Bongani Bongo**, who has been charged with bribery and has stepped aside as an MP; former minister **Tina Joemat-Pettersson**; Chairperson of the Portfolio Committee on Sports, Arts and Culture, **Beauty Dlamini**; Chairperson of the Portfolio Committee on Small Business, **Ruth Bhengu**; former State Security Minister **David Mahlobo**; Deputy Minister of Defence, **Thabang Makwetla**; former Communications Minister **Nomvula Mokonyane** and former ministers **Faith Muthambi** and **Bathabile Dlamini**, head of the ANC Women's League. Former Finance Minister **Malusi Gigaba**, who was found, among other things, to have lied in court, resigned in late 2018 facing a raft of scandals and after appearing before the commission.

The Integrity Commission is made up of 12 commissioners drawn from across the ANC and headed by respected veteran **George Mashamba**, aged 76, who has expressed intense frustration in the past with the ANC's 'flagrant disregard' for its 2012 conference, which set the rules and processes for the commission.

Other members include renowned trade unionist and veteran of the 1956 Women's March **Sophie De Bruyn**, deputy chair; former secretary of parliament **Sindiso Mfenyana**; British-born political advisor and former detainee **Sue Rabkin**; medical doctor and former MP **Essop Jassat**; former secretary to the late ANC leader **Oliver Tambo**, **Thandi Lujabe-Rankoe**; former military wing member **Len Rasekgatla**; human resource professional **Thukela Cyril Jantjies**; former Speaker of the City of Johannesburg Council **Nkele Dikeledi Ntingane**; and **Terrence Tryon**, an anti-apartheid activist and former student leader.

In the run-up to the ANC special meeting, suspended former Mayor of eThekweni **Zandile Gumede** and provincial legislator **Mike Mabuyakhulu** stood aside as members of the KwaZulu-Natal legislative assembly pending investigation of corruption allegations by the Integrity Commission.

Ramaphosa's spokeswoman **Khusela Diko** stood aside from her post when it was disclosed that her husband has made huge profits from an unauthorised state tender for Covid-19 protective equipment. ●

Services South Africa; and **Herbert Msagala**, senior official of Transnet, the transport utility.

A two-year investigation into a massive money-laundering scam in the town of Vrede in Free State province, as part of the Estina dairy project, could now lead to a major trial. The NPA has confirmed that a high-profile arrest is expected before the end of this month.

Magashule, widely regarded as the leader of the anti-Ramaphosa faction, was Premier of Free State at the time of the 220 million rand (US\$12m) fraud. He and his family are facing multiple allegations.

The oft-extended commission headed by deputy Chief Justice **Raymond Zondo** has amassed a huge bank of evidence over nearly two years detailing mega-corruption by two politically-connected families estimated to have cost the country more than R1 trillion (\$58bn) in public funds.

The Gupta brothers – **Atul, Ajay and Rajesh** – fled to **India** via their base in Dubai when they saw the net closing on their business empire built during Zuma's nine years in office. The NPA, headed by **Shamila Batohi**, has begun proceedings to extradite the Guptas from India and the **United Arab Emirates**.

The other family is the Watson brothers whose patriarch, the late **Gavin Watson**, built an empire on the back of state tenders and a long-standing relationship with the ANC dating back to the apartheid era, when the family defied race segregation laws to support the then banned organisation.

Watson's chief operating officer, **Angelo Agrizzi**, gave evidence against the boss before the Zondo Commission which exposed an empire based on political ties, bribes and protection

rackets which reached into the leadership of the ANC.

Watson, who began each day with a prayer meeting for the staff and left no paper trail, died in a high-speed car crash widely believed to be suicide, while he was en route to an inquiry into his tax affairs.

CYRIL'S EDICT

In an unprecedented move, Ramaphosa sent a seven-page letter to all ANC members ahead of the special meeting of the ANC executive on 29-30 August, going over the heads of the party's top decision-making bodies (AC Vol 61 No 17). Ramaphosa said that party officials and their families doing corrupt business with the government had betrayed the ANC.

From now on party members accused of corruption must stand back from positions in government and state bodies pending their appearance before the Integrity Commission and if they are unable to provide satisfactory explanations they must face disciplinary or prosecutorial processes. But the new measures don't include an onus on the ANC to report members suspected of corruption to the police.

The Integrity Commission has in the past led to senior officials withdrawing from candidacy for elections and for availability for cabinet positions (see box). But its powers are not binding. Some ANC leaders who were not cleared by the commission have continued to serve in senior party positions and as members of Parliament.

Zuma's attempt to weaken Ramaphosa's leadership backfired spectacularly. Now, Ramaphosa has some political space ahead of the ANC's National Governing Council conference

and local government elections due in the second quarter of next year.

Ahead of the NEC meeting, Ramaphosa's accusers were either: those with criminal convictions, **Tony Yengeni**; those facing criminal charges, **Andile Lungisa**; those facing serial corruption allegations, **Nomvula Mokonyane**; or those aligned with the anti-Ramaphosa camp, **Mzwandile Masina**, **Carl Niehaus** and **Kebby Maphatsoe**.

Such was the support for him at the NEC that Ramaphosa cursorily dismissed Zuma's open letter, saying he had no intention of replying to it.

Party leaders such as ANC chair **Gwede Mantashe** won the day by portraying Zuma's letter as an act of treachery which broke the taboo on predecessors publicly attacking the incumbent, amounting to an attack on the ANC itself.

'It is not done because there is a particular relationship between a successor and a predecessor... and we have a responsibility to kill this choreographed attack on the President,' said Mantashe, a political supporter of Ramaphosa but still sceptical of his economic strategy.

The ANC Veterans' League did not offer a collective response to the Zuma letter before it hit social media but its President, **Snuki Zikalala**, called it 'extraordinary, unprecedented and deeply disturbing', amounting to a bid at regime change.

It was presenting 'the ANC President as an illegitimate leader of our movement,' said Zikalala. The letter had no official status until endorsed by ANC regions and was likely to be withdrawn, another humiliation for Zuma and his supporters. ●

MALAWI

Shaky start for the new broom

President Chakwera's fight against corruption is popular but concerns are growing about nepotism and schisms in his coalition

The first 60 days of office have not been kind to President **Lazarus Chakwera**. Swept into office on a wave of campaign promises of clean government and the creation of a million jobs, he has been battling to keep to his programme in the face of disastrous economic indicators.

Opening parliament on 4 September the new head of state reiterated his pledge to create 1 million jobs, instituting a National Youth Service.

Striking an optimistic note under the title 'Restoring warmth to the heart of Africa' he said, 'You may have heard it that Malawi is a poor country, but we must reject this lie,' as he blamed past governments for plundering the country. Lauding the judiciary for how it handled the disputed 2019 election, he promised to strengthen the law by training more magistrates and even suggested a new judicial building next to parliament.

He repeated the campaign pledges of his 'Super Hi5 Agenda' which promises reforms across the entire public sector and cheaper inputs for farmers. How he will square the circle of greatly reduced economic resources with new jobs and higher subsidies is yet to become clear.

Like other leaders, Chakwera is struggling with the social and economic consequences of the coronavirus pandemic. Last month he beat a humiliating retreat before the combined forces of the Roman Catholic Church and the Church of Central African Presbyterian (CCAP) and withdrew the upper limit of 10 persons for church congregations. The clerics had accused him of failing to consult.

He is also accused of favouring people from his own, Chewa, ethnicity in making public appointments (AC Vol 61 No 14). At about 35% Chewa are

the largest ethnic group in Malawi, followed at 19% by the Lomwe, which was the ethnic group of ex-President **Peter Mutharika**, who lost to Chakwera in the presidential election.

Mutharika had become increasingly unpopular and weighed down with accusations of corruption, while Chakwera and his running mate **Saulos Chilima** offered an alternative, more inclusive and honestly run Malawi.

Chakwera is taking on the former ruling Democratic Progressive Party (DPP), accusing the Mutharika administration of looting 1.3 trillion kwacha (US\$1.8 billion) during its six years in power.

INVESTIGATIONS

The authorities are arresting DPP officials and Mutharika aides over their connections to multi-billion-kwacha deals, and other DPP officials over political violence and connections to the alleged murder of Anti-Corruption Bureau (ACB) officer **Issa Njaunju** (AC Vol 57 No 16).

Insiders say Mutharika was warned that corruption could cost him his presidency but he found those closest to him too hard to control. The ex-President has been questioned by police about a MK5bn (\$7m) duty-free cement import scheme, which is claimed to have involved his wife **Gertrude Maseko**, his stepson **Tadikila Mafubza**, his personal bodyguard **Norman Chisale** and his Chief of Staff, **Peter Mukhito**.

Businessman **Shaffe Chunara** was charged with fraud and money-laundering in July in connection with that case and accused of importing 800,000 bags of cement from **Zambia** and **Zimbabwe** free of taxes by using the president's duty-free privileges. Mutharika has denied any connection to the affair.

Sources close to the prosecutors say the ex-president's wife and stepson used the cement to build apartments in Lilongwe's suburbs and a four-storey building near Kamuzu Central Hospital in the city. The ACB has frozen the ex-head of state's joint accounts and that of Chisale, who has been arrested on a charge of attempted murder. There are allegations that he engineered the murder of Njaunju.

The DPP complains of political persecution. But the prosecutors are working systematically through a long list of cases such as the MK600m oil deal at the Malawi Energy Regulatory Authority. That has led to the arrest of a former executive assistant to Mutharika, **Collins Magalasi**, who was the MERA Chief Executive.

Electoral Commissioner **Jean Mathanga**, who once chaired the

Electricity Supply Commission of Malawi, was also picked up, along with ESCOM officials over another procurement scandal involving MK4bn.

Another Chief Executive, **Chris Chisoni**, of the National Higher Education Loans Board, has been arrested for giving an MK18m contract to his wife. Police investigators are investigating claims that he also created 200 'ghost' students which obtained loans from the board.

The latest addition to the arrest list is the Malawi Communications Regulatory Authority (MACRA) boss **Geodfrey Itaye** who is being accused of buying MK100m worth of DPP-emblazoned batik cloth using public funds and various deals including giving contracts to his family worth US\$150,000.

Corruption under the DPP was widely reported, but it is the impunity that has shocked Malawians still recovering from the 2013 'Cashgate' scandal (AC Vol 54 No 24). ACB head **Reynneck Matemba** has said that the DPP's looting could make Cashgate look like child's play, although some important Cashgate prosecutions have yet to be heard.

Although the prosecutions have been playing to Chakwera's advantage, he has been losing support over the appointment of fellow Chewa to high positions. These include seven cabinet ministers, the Inspector-General of Police, the presidential chief of staff, and several permanent secretaries and advisors at government departments.

His son-in-law, **Sean Tsanzo Kampondeni**, is his executive assistant and communications director. His cabinet now includes his party deputy **Sidik Mia** and his wife **Abida**; they bankrolled the election campaign of the Malawi Congress Party. The new Labour Minister, **Ken Kandodo**, who served as finance minister under President **Bingu wa Mutharika** and as Defence Minister under President **Joyce Banda**, is a grand nephew of MCP founder and the country's first president, **Hastings Kamuzu Banda**. Kandodo's sister **Khumtize** is the new health minister.

The cabinet also includes a brother and sister-in-law, Information Minister **Gospel Kazako** and **Agnes Nkusa Nkhoma**, deputy agriculture minister. Chakwera defends the appointments as based on merit but he has added he will review the cabinet in six months' time and sack poor performers.

Young Malawians eager for Chakwera to make good on his promise about jobs are getting sceptical. On social media, Chakwera's appointments are mocked as the 'one million retirees back to work' initiative.

The President has also re-appointed General **Vincent Nundwe** two months after he was fired by President Mutharika, saying he was 'correcting a wrong' (AC Vol 61 No 7). Nundwe was christened the 'people's general' for trying to prevent security force violence against demonstrators.

State House insiders say that the President is thinking ahead to the 2025 election and has set up an 11-strong intelligence unit to monitor the loyalty and activities of ministers, government officials and his Tonse Alliance partner Chilima's United Transformation Movement (UTM).

On a leaked recording of what is believed to be the group's first meeting speakers can be heard describing as their first priority to locate 'anti-Chakwera' individuals in government.

Now it is in office, the Tonse Alliance is experiencing strain. Chilima, and his technocratic allies, have been working on reforms to the public sector, while Chakwera has been concentrating on maintaining public support.

But each man's supporters claim they are undermining each other. Chilima, having been vice-president under Mutharika before he defected, cannot run for a third term in that role. Chakwera has indicated that it is too early to talk of 2025, only saying he is sure he will not run for a third term. Tensions arose over the issue during the election campaign (AC Vol 61 No 12).

Meanwhile, the MCP and UTM are both increasing their parliamentary numbers thanks to defections from the DPP and the United Democratic Front (UDF). The two coalition partners will compete with each other at several by-elections caused by defecting MPs.

The coalition's solidity is at stake. If the President and VP campaign against each other, they will dash the hopes of a long-term merger between Chakwera's MCP and Chilima's UTM.

COVID CONFUSION

The climbdown over maximum church congregations was worsened by the fact that new Attorney General, **Chikosa Silungwe**, a bright young technocrat, distanced himself from the new rules and told media to ask the health minister.

Nor did it help the President's profile on Covid-19 that he attended a funeral of one of the party's veterans, **Mai Roseby Dinala**, where over 2,000 people mingled freely. Funerals are supposed to be limited to 50 mourners. Enforcement of the new rules, apart from the churches, is weak. During the election campaign the Tonse Alliance rejected Mutharika's proposal for a lockdown in April.

The President has announced the re-opening of schools but parents have not been consulted. Teachers are demanding a risk allowance and personal protection equipment, or they will not return to classrooms. With teachers making up 30% of the 170,000-strong civil service, it is hard to see how the government can afford these demands.

Covid-19 has cost about 273,000 jobs and financial losses throughout the economy. Poor communications and politicians' hypocrisy are undermining new public health rules. Ministers are

moving freely through the country, defying advice on limiting travel. Places such as Mzuzu in the north are awaiting a promised oxygen-manufacturing facility which can supply hospitals.

Some 4,000 young people who were promised employment as interns in government forced another U-turn after threatening to take to the streets if they could not resume work. The government had said they would go back in October. Now, Labour Minister Kandodo says it will be this month.

Motorcycle taxis opened the first

wave of demonstrations in Lilongwe against rules to register their vehicles, wear helmets and have licences. Protests are expected should the government proceed with more restrictions on markets over social distancing.

Much will depend on how Chakwera reacts after these early missteps amid the deepening economic woes caused by the pandemic. Popular support for prosecutions against the former government for corruption could prove short-lived without progress on plans to alleviate the health and jobs crises. ●

NIGERIA

Building back bigger

Planning to spend over 20 billion dollars on grand projects, the Buhari government is raising tariffs and tolls as well as taking on more debt

Many Nigerians are disappointed that, as President **Muhammadu Buhari** is a year into his second term, he has not done more to halt the scourge of corrupt trading deals and build up national oil production and increase its value.

The World Bank has approved a \$750 million loan to the power sector but the expansion will push up the retail price of power as generating and distribution negotiate new tariffs.

For many, the key indicator is that unemployment has shot up to 27% of working age people, four points higher

than in 2018 and the highest for a decade. Officials admit that the total could hit 33% by the end of the year.

More worrying still are the combined under-employment and unemployment figures, covering 57% of people of working age. Alongside the patterns of armed clashes in many northern states and rising crime rates in the south, the latest data show how economic hardship is fuelling insecurity.

Buhari's government, like its predecessors, has an abundance of well-presented strategies to restructure the economy. Vice-President **Yemi Osinbajo**,

who chairs the government's Economic Sustainability Committee, launched the country's 'Bounce Back' plan in June for a post-pandemic economic reset.

Its focus on investing in national production, giving strong incentives for companies to hire workers, and radical reform of the oil and gas industry could drive structural change if the government can summon the political will to implement it. Buhari's new chief of staff, **Ibrahim Gambari**, has been working on another economic plan which closely reflect the President's priorities, we hear (AC Vol 61 No 12). It is due to be launched later this month.

LONG VIEW

Buhari's economic views have changed little since he set them out as military leader in 1984-5: an over-arching role for the state; priority for manufacturing and agro-allied processing; government support for farmers; strengthening of the energy sector, upstream and

THE GOVERNMENT'S PROJECTS TEAM

- **Hadi Sirika, Minister of Aviation:** close to President **Muhammadu Buhari**, Sirika is seen as a professional who has tackled some of the aviation industry's multiple problems in Nigeria on regulations, security and cost structure. His priority now is to support the national industry as it navigates of the pandemic-induced slowdown. Internal flights have been cut by over half. Strengthening national and regional air links are key to Buhari's development planning (AC Vol 61 No 9).
- **Rotimi Amaechi, Transport Minister and former governor of Rivers State:** a shrewd politician who has worked his way up the ranks since the return civilian rule in 1999. He is keen to launch himself onto the presidential track in 2023, either as candidate or running mate. His commissioning of roads, railways, stations and other infrastructure across the country will help those ambitions (AC Vol 61 No 17).
- **Babatunde Fashola, Minister of Works and Housing and former governor of Lagos State:** Promoted as chief of a super-ministry of power, works and housing, Fashola underwhelmed in President Buhari's first term. Taking on the vested interests in the power industry was more than a full-time job. But his replacement in power, **Saleh Mamman**, has made still less progress (AC Vol 61 No 12). That is why President Buhari despatched his late chief of staff **Abba Kyari** to negotiate the Siemens deal at the company's headquarters in **Germany**. Fashola has yet to make his mark in Buhari's second term: trying to meet the goal of 300,000 new homes a year will be a critical test.
- **Godwin Emefiele, governor of the Central Bank of Nigeria and former managing director of Zenith Bank:** Under President Buhari and Emefiele, the central bank has become an activist player in the economy as well as a tougher regulator (AC Vol 60 No 13). The first two-term bank governor since the 1980s, Emefiele has become, along with Buhari, the strongest advocate of defending the naira and the country's complex multi-tier exchange rate. This year's oil price crash has forced a gradual depreciation of the naira and the abandonment of fuel subsidies. Emefiele also styles himself as a development economist, arguing that the role of Nigeria's central bank must be to direct credit to areas of high growth and potential to create jobs; that is, a mix of agriculture, agro-allied processing and industrial projects as well as showing strong support for the infrastructure drive. Emefiele is expected to lead an aggressive borrowing programme next year in support of the government US\$20 billion project target. ●

downstream; completion of large-scale road, rail, port and water supply projects.

In power for just over five years, Buhari is the second longest-serving civilian president in Nigeria's history. But few of his economic aims have been achieved. For years, Africa's largest economy has spent only around 5% of its GDP on infrastructure. Buhari now aims to spend \$20 billion over the next decade, though even that plan is well below investment levels in peer economies in Asia and Latin America.

Nigeria's rail network, a colonial relic, is the biggest beneficiary of this new focus. Most of the work on the Abuja-Kaduna line had been undertaken by President **Goodluck Jonathan's** government. It was commissioned under Buhari, whose substantial work on the Abuja city metro led to the launch of its first phase in 2018.

With eyes on 2023, Transport Minister **Rotimi Amaechi** has secured a deal, said to be worth \$50m – offered gratis by **Chinese** state contractors – for a University of Transport in Buhari's hometown of Daura. Currying favour with Buhari might help Amaechi's own presidential plans.

Amaechi has repeatedly promised imminent launch dates for the Lagos-Ibadan and Itakpe-Warri lines and they are due to start this year.

But work has stalled on the Second Niger Bridge, part-financed by a \$311m tranche of the loot stashed in Europe by late military leader **Sani Abacha** which has been returned. His stolen millions are also supposed to finance expressways cutting through major cities in the south-west and north-west. Financing other mega projects will be problematic.

In the first quarter of 2020, almost all state revenue went towards servicing debt. However, money markets still expect Nigeria to float

another Eurobond next year.

In January, Buhari said over 35 roads would be completed this year. But the previous month, he signed the 2020 budget with 37bn naira (US\$95.9m) approved for renovating the federal parliament, slightly over the N36.6n earmarked for fixing federal roads. In August, Works and Housing Minister **Babatunde Fashola** disclosed that contractors are owed billions of naira, announcing plans to reintroduce road tolls, discontinued in 2004, to raise revenue. Central Bank governor **Godwin Emefiele** says a N5 trillion (\$39.4bn) infrastructure development company is in the works.

The government is also tapping into a N162bn (\$400m) Sukuk bond financing and Chinese loans for infrastructure, and trying to galvanise more commercial funding. It's introducing a tax credit system to encourage companies to invest in roads.

The reach of **Aliko Dangote**, dominant in cement production and agribusiness, is to extend to heavy industry, with the launch a 650,000 barrel-a-day refinery, fertiliser and petrochemicals plant in Lagos state early next year. A new port is under construction in a nearby free trade zone, financed under a \$630m scheme for a 45-year concession agreement with China Harbour Engineering Company.

REFINERIES

If these projects pan out, Nigeria could graduate from a position where the state oil company operates four sporadically functioning refineries to becoming one of the world's biggest exporters of petroleum products.

Nigeria currently consumes around 500,000 barrels every day. It has approved licences for over three dozen modular refineries, though work

has started on fewer than a third. The government has also been negotiating with **Saudi Arabia** to rehabilitate the four state-owned refineries with a capacity of 450,000 b/d (AC Vol 61 No 10).

This month, BUA Group, belonging to Dangote's rival and fellow Kano-born billionaire **Abdulsamad Rabiu**, announced a deal, alongside President **Emmanuel Macron**, with **France's** Axens to build a 200,000 b/d refinery in Akwa Ibom.

Buhari is determined to relaunch the moribund Ajaokuta steel mills, yet to produce a single steel bar since Russian engineers began work on it in the mid-1980s. The railway line meant to connect the mills to iron ore deposits at nearby Itakpe and with the Warri ports in the Niger Delta, is to be commissioned this year. There is a more viable project for a railway between the liquefied gas terminal on Bonny Island, with the oil capital of Port Harcourt.

In 1972, the Mambilla power station was initiated as part of post-civil war reconstruction. The \$5.8bn project with a capacity of 3,050MW remains far from completion. A smaller power plant in the same state of Taraba in north-eastern Nigeria, the 40MW Kashimbila project has been completed but hasn't been hooked up to the national grid yet.

An electrification road-map with **Germany's** Siemens is to be implemented in three phases up to 2025: it will boost Nigeria's transmission capacity to 25,000MW. For now, the country could produce 13,000MW but average output is under 5,000MW because of unreliable transmission. The World Bank has approved a \$750m loan to the power sector but the expansion will push up the retail price of power as generating and distribution negotiate new tariffs. ●

ETHIOPIA

Regions take on the centre

With mass protests and unofficial elections, oppositionists in Oromia and Tigray are demanding the federal system be redrawn

Although Prime Minister **Abiy Ahmed's** government says it is trying to unite a divided Ethiopia, its opponents argue it is dismantling the multinational federation and replacing it with centralised authority. Furious reactions to the centralisation are, in turn, speeding up the process of disintegration.

In one of the starkest illustrations of the divisions, Tigray went ahead with its own provincial elections on 9 September, defying Abiy. The National Electoral Board of Ethiopia has previously stated it is the only body constitutionally authorised to run elections.

The federal government opposes the poll because it defies a June decision

by parliament to extend all regional government terms of office beyond their five-year limit after elections planned for August were delayed by Covid-19. Yet intervening to prevent Tigray carrying out the poll would carry enormous risks for Abiy.

The Tigrayan People's Liberation Front (TPLF), once the dominant power in the now defunct ruling coalition, the Ethiopian Peoples' Revolutionary Democratic Front, refused to join Abiy's new ruling national party, the Prosperity Party, and is seen by many to be presiding over a Tigrayan drift towards outright secession, which is legal under Ethiopia's federal constitution.

Tigrayan, Oromo and other critics claim Abiy is repressing civil rights and stifling the opposition in a manner

little different from the EPRDF, and not allowing sufficient freedom to ethno-nationalist forces, which are bursting out in several parts of the country.

There has been an angry response to Abiy in parts of Oromia region and in Wolayta Zone in the Southern Nations federal state, where activists want a regional state to be created for the Wolayta people. If the Tigray regional elections seem to threaten the state, the situation in Oromia, Abiy's home region, is arguably even more critical.

Protests in Oromia against Abiy's leadership began months ago, although anger had been building for two years as demands for genuine autonomy, greater language rights, and more benefits from Addis Ababa were ignored by the federal government.

STATE RETALIATION

Violent protests in early July, triggered by the unsolved murder of singer **Hachalu Hundessa**, saw Oromo groups kill local minorities and burn their property and united Oromo people. The federal and Oromia governments then conducted mass arrests, including influential politicians such as former activist **Jawar Mohammed** who were criticising Abiy's leadership, and Oromo journalists who published damning reports (AC Vol 61 No 15).

State security forces responded to further protests in mid-August, this time triggered by Jawar's brief ill-health in jail, with a wave of violence, killing elders, religious leaders, women, and youths, and arresting so many they had to be detained in schools, warehouses and even the offices of opposition parties in Gimbi town.

The brutality of the government's

reaction is increasing anger and bringing the Oromo together in resistance, much as it did in 2015 when the protests that paved the way for Abiy to take power began in earnest.

The situation is also having a negative economic effect amid the Covid-19 pandemic, contributing to an increased annual inflation rate of around 20%, especially in the capital, since Addis Ababa is surrounded by Oromia and protests often close roads, halting distribution of goods and causing shortages.

Unless the government starts listening and changes tack, further deadly inter-communal violence could follow. Many opposition supporters in Oromia believe – against official protestations – that Abiy's government is shifting towards a modern version of the pre-1974 imperial system when the Amhara language, culture, and elite predominated.

Oromo protesters believe that Amhara today in Oromia – who are often called '*neftegna*' (or '*neo-neftegna*'), a term that literally referred to those who bore arms in the imperial era – are supporters of Abiy's centralising plans, or working with his Prosperity Party to oppress locals. These suspicions led to killings of Amhara by Oromo groups in the region in July.

Those attacks led to outrage and increased activism by opponents of the multinational federal system. They say the system that the TPLF was influential in instituting in the early 1990s has hardened ethnic identities and divided Ethiopians.

It's far from clear how to bring the two camps together given the entrenched dispute, level of political toxicity, and

ongoing violence, while Abiy is leaning on centralisation because he does not know how to or does not want to satisfy ethno-nationalist demands.

In Tigray, Abiy risks appearing weak if he fails to intervene to defend federal authority, but any punitive action would only increase secessionist sentiment, which is already strong. One opposition party is explicitly pushing for independence.

An additional complicating factor is that Amhara region claims some areas of Tigray, known as Raya and Wolkait, making a peaceful Tigrayan exit from the federation highly unlikely.

SOUTHERN ISSUES

The Southern Nations government's failure to address the statehood demand of Wolayta people and the forceful intervention of the federal government into Wolayta Zone in mid-August to silence protesters is another indication of where the country is heading.

The arrest of the senior zonal officials and killing of dozens of protesters intensified local anger. Unless the statehood demand is addressed quickly, anger may turn into violence if they begin to see peaceful pursuit of their demands as pointless. That was the pattern in nearby Sidama Zone, which was eventually granted a referendum on regional statehood after months of delays and protests, some of them deadly, and has now become the tenth regional state in the federation.

The question of autonomy is not, however, going to end in Wolayta. Other Southern Nations zones are already demanding statehood. The government's response will be another determinant of peaceful coexistence

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within the federation.

The Covid-19 pandemic is both the backdrop to and a key factor in the political turbulence.

Although many Ethiopians are not convinced of the veracity of the infection data the government is providing, or the virus's threat to them, the country is still being affected by its economic impact, and increased inflation and unemployment increase resentment of the government. For many, the situation has made it difficult to survive. An estimated 20 million Ethiopians, at

least twice as many as usual, require nutritional support.

Many Ethiopians believe that the government is exploiting the pandemic. People in parts of Oromia wear face masks to avoid being beaten up by the security forces and take them off when the police are gone. Others think that the government is deliberately infecting critics with the virus, especially in police stations.

The government is due to decide whether to extend the State of Emergency brought in to combat

Covid-19 in early April. A decision to lift it may well be an indicator that the Prosperity Party favours an election relatively soon. In July, it was decided that an election would be held nine to 12 months after health authorities decide the pandemic is controlled.

Either way, prospects do not look good. With their leaders on trial, many Oromo will reject an election, but if there is further delay it will add fuel to the ethno-nationalists' claims that Abiy is using the pandemic to remake Ethiopia's fragile constitutional order. ●

BURKINA FASO

Campaigning as jihadists advance

The election contest is a lively affair between elite rivals but none of them has a clear plan to defeat the armed insurgents that have cut across the country

Burkina Faso is holding presidential and parliamentary elections on 22 November, although many parts of the country are unlikely to participate because the safety of polling booths cannot be guaranteed. In spite of the existential threat to the state and the nation, the candidates have little to say about what to do about the jihadist problem and line up uncritically behind the security forces.

The ruling *Mouvement du peuple pour le progrès* (MPP) decided to no great surprise in July to declare the president, **Roch Marc Christian Kaboré**, its candidate for the forthcoming poll. But winning the acclamation of 4,000 party faithful will do little to assure victory even though he easily cleared the 50% threshold in 2015 and so avoided a second round. He faces a much tougher challenge this time.

Leading contenders for the presidency in November include allies and enemies of **Blaise Compaoré**, the president ousted in 2014. And then there's the relentless march of the armed Islamists and the issue of the massacres of Fulani (or Peuhl) by the armed forces.

The MPP projects a sense of unity. Kaboré's top advisor **Clément Pengwende Sawadogo** runs the party and has also been in charge of the ailing flag carrier Air Burkina since January. **Alassane Bala Sakandé** is another stalwart who combines his position on the party's national executive with being Speaker of parliament.

Kaboré's war chest is likely to be discreetly filled by business friends like **Mahamadou Bonkougou**, the billionaire boss of the EBOMAF regional civil engineering empire

who likes to lend his private jet to heads of state like Kaboré and **Liberian President George Weah** (AC Vol 59 No 20). Kaboré is also close to leading business magnate **Mahamadi Sawadogo**, nicknamed 'Khadafi'. Campaign communications are in the capable hands of the hyperactive **Cameroon-born journalist Thierry Hot**.

SLIM CHANCE

Kaboré's chances of outright victory in the first round are slim because two major political parties that were formerly hostile to each other and are now both opposed to the MPP have joined forces. They are the traditional opposition party *Union pour le progrès et le changement* (UPC) led by **Zéphirin Diabré**, who came second to Kaboré in 2015, and the former ruling party, the *Congrès pour la démocratie et le progrès*, the vehicle of ex-President Compaoré, who was swept from power in an 'Arab spring' style mass uprising in 2014.

Together with 21 other parties and eight presidential candidates (six of whom have considerable public profile and following) the opposition parties put their signatures to an electoral pact on 18 August to vote for whichever alternative candidate to Kaboré makes it to the second round. This is likely to be either the UPC's Diabré or the CDP candidate **Eddie Komboïgo**, a close ally of Compaoré. It is assumed that Compaoré picked the candidate from his villa in Abidjan where he is believed to continue to control the party.

Komboïgo is a controversial figure in the CDP. The scandal-ridden former mayor of Bobo-Dioulasso, Burkina Faso's second city, **Salia Sanou**, left the CDP in a huff over the pick, and **Léonce Koné**,

the man who took over the party when Compaoré left, also resigned declaring that Komboïgo was not fit for office.

Koné is in the camp of another former pillar of the Compaoré days, **Kadré Désiré Ouédraogo**. Nicknamed KADO, Ouédraogo served as prime minister at the turn of the century and from 2012 to 2016 was president of the Ecowas Commission (AC Vol 60 No 21). On returning to Burkina Faso, Ouédraogo and Komboïgo fought a bitter battle for supremacy in the CDP, which the latter won. KADO went on to create his own party, *Agir Ensemble*.

Among the six others now in this pact with Diabré and Komboïgo are, ironically, KADO and a former foreign minister, **Ablassé Ouédraogo** (AC Vol 56 No 4), who earned all-round condemnation during the 2015 campaign after he had claimed that being Mossi and Muslim should be sufficient to qualify for the job of head of state. While the first is arguably true, the second will not wash in a country where 40% of the population goes to church.

A rather more seriously minded outsider – and another 18 August signatory – fancies his chances: former culture minister **Tahirou Barry**, a young and charismatic member of parliament. But Barry shares a problem that has also bedevilled Diabré, the person most pundits believe would be the obvious choice for the opposition to rally around in a second round: he is not Mossi. Diabré is Bissa and Barry is ethnically Fulani (or Peuhl), the group simplistically blamed by 'the street' for the jihadist violence sweeping the region.

Another signatory to the 18 August pact is **Yacouba Isaac Zida**, the former number two in the now-disbanded presidential guard of ex-President Compaoré and the first to grab the reins of power in the chaotic aftermath of Compaoré's departure (AC Vol 55 No 2). Zida was sacked from the army three years ago and lives in **Canada**. He announced his intention of running for office months ago but has not been seen in the country. Zida has some powerful

allies, not least among them Colonel **Auguste Denise Barry**, whom the MPP government sidelined on suspicion of fomenting a coup, and **Augustin Loada**, former head of the government watchdog the *Centre pour la Gouvernance Démocratique* (CGD – AC Vol 59 No 5).

The existence of the opposition pact will surely rattle the MPP but it will count on the traditional Mossi monarchy and its chiefs, who usually instruct their subjects on how to vote (AC Vol 60 No 11).

CRISIS

All this plays out against a backdrop of an escalating military and humanitarian crisis. Three jihadist groups have caused the displacement of an estimated one million Burkinabè this year and the deaths of 163 members of the security forces and 463 civilians. The bodies of 180 of these civilians, all male, were found in mass graves around the northern town of Djibo, home of Burkina Faso's home-grown jihadist group *Ansaroul Islam*, which aligned itself later with **Amadou Koufa's Front de Libération du Macina** (AC Vol 58 No 6). A Human Rights Watch report in July accused the national army, the *Forces de défense et de sécurité* (FDS), of murdering them.

The European Union wants to massively increase its military aid without being implicated in ethnic violence, but its calls for justice for the victims of massacres fall on deaf ears. Even the mildest criticism of the FDS is now considered treason and is met with howls of outrage on social media. The government takes advantage of this by preventing all independent reporting of military operations (AC Vol 60 No 13).

President Kaboré had visited Djibo only three weeks before the HRW report came out. He praised the troops and made oblique remarks about avoiding stigmatising certain groups. He also promised that Djibo, isolated from the country by armed jihadist actions, would see military reinforcements.

The violence now comes from four sides: jihadist groups, security forces, the self-styled self-defence groups *Koglwéogo*, which are undisciplined militias, and the newly formed *Volontaires pour la défense de la patrie*, who risk acting the same way (AC Vol 60 No 21). The VDP concept was pushed hard by defence minister **Chérif Moumina Sy**, a former journalist and now presidential loyalist, and unanimously approved by parliament last January. VDP groups receive two weeks' training to protect residential areas and work in support

of the army. The danger is that they can increase the risks of vigilante justice and local score-settling.

Insecurity has made at least five regions in the country unsafe for either electoral campaigning or voting, including the region where Djibo is located and also the East, the Sahel Region, the densely populated *Boucle du Mouhoun* bordering Mali and the border area with **Côte d'Ivoire**, the north of which has recorded insurgent attacks recently (AC Vol 61 No 14).

VOTE LAW

It is hard to see how elections can be held under these circumstances and whether the political class and its system of government has what it takes to deal with the jihadist threat.

Both these issues forcefully came to the fore on 25 August, when parliament approved modifications to the electoral law whereby elections would proceed where polling was possible. The proposed modifications have caused outrage, with commentators saying the law effectively means giving up sovereignty over its own territory and reduces the elections themselves to something that happens 'between Ouagadougou and Bobo Dioulasso', the country's two main cities. ●

COVID-19

First the good news...

Although Africa may escape the worst of the health emergency, concern is mounting about its effects on economies and public services

As Africa cautiously welcomes the positive news that it looks like it will escape the worst ravages of Covid-19 infections, it is also having to deal with the fallout of several revelations of corruption among officials in their handling of Covid-19 funds.

There were demonstrations in a number of countries last week about Covid-19 corruption. In **Zimbabwe**, **Obadiah Moyo**, the sacked Minister of Health and Child Welfare, awaits trial on Covid-related corruption charges. In **Somalia**, four health officials have already been jailed for misappropriating funds. In **Kenya**, where 300,000 people have lost their jobs because of the virus, civil society activity has grown sufficiently to persuade President **Uhuru Kenyatta** to order the Ministry of Health to publish details of all contracts issued and sums paid out.

Particular attention will be paid to the activities of the Kenya Medical

Supplies Agency (Kemsa) at the centre of an alleged US\$400 million scandal that has prompted strikes at ill-equipped hospitals, and street protests. There have been further cases in **South Africa**, **Nigeria** and **Uganda**, all relating to greedy officials trying to enrich themselves (AC Vol 61 No 17).

Asked for his reaction to the reports, **John Nkengasong**, Director of the Africa Centres for Disease Control (CDC), was emphatic: 'Any corrupt practice is to be condemned. You know, it is a human rights issue. Anything that impedes the saving of lives is an abuse of human rights. History should judge very harshly those who abuse their office.'

Beyond this regrettable sidebar, the main focus is turning towards trying to rebuild economies and strategise how to share in the anticipated vaccine roll-out.

The current situation is that there have been just under 1.3m positive cases identified on the continent

with a remarkable 85% proving to be asymptomatic. Although there has been a small increase in cases in North Africa, across the continent as a whole, cases declined 14% a week through August.

TRADE KICK-START

Resurrecting economies is of course difficult when you hold very few economic trump cards and depend on others to buy your primary products (AC Vol 61 No 17). So while public health officials are still calling for extreme care, the business-minded are desperately trying to kick-start international trade.

Ghana's Kotoka Airport opened to international flights on 2 September, and Nigeria reopened Lagos and Abuja on 5 September. In Nigeria, only a reduced number of flights are allowed, with a total cap of 1,280 international passengers allowed to land at these two airports each day. No incoming flight can carry more than 200 passengers, though outbound aircraft have no such restriction on numbers. But the news comes with complexities: both countries require arriving travellers to have obtained a PCR negative Covid-19 test prior to departure, and while Ghana then undertakes a further test on all passengers prior to them collecting their baggage, Nigeria asks

visitors to isolate for seven days and then take a second PCR test before venturing out.

The difference in requirements by countries is also a big problem at land borders. Africa CDC, which is trying to see if it can use its African Union roots to harmonise the process, assesses that 25 countries have pre-departure requirements for visitors coming into their airports, and six are testing passengers on arrival. 'We have a problem to solve here,' says Nkengasong. 'There has to be a harmonisation to enable reciprocal recognition of testing and of certification between countries whether by land, air, or sea.'

At their press conferences last week, both the World Health Organization and Africa CDC played strongly on the importance of ensuring Africa was well-placed in the global process when and if a vaccine is found. The big difficulty at the moment is the unknown form any vaccine might take. Will it be a single shot, or two shots? How often will it need repeating? Will it be like a flu virus vaccine, given annually and altered to reflect the anticipated mutations? Given the logistic complexities of rolling

out a vaccine to Africa's people, these questions hold huge implications.

VACCINE CASH

So far, the WHO, Gavi – the vaccine alliance – and the Coalition for Epidemic Preparedness Innovations (CEPI), which is coordinating Covax, the vaccine pillar of the international response to Covid-19, have only raised about \$700m of the anticipated \$2 billion required. The initiative aims to secure around 220m doses of vaccine for the continent, once it has been licensed and approved.

African nations are coalescing in the hope of finding an equitable means to deliver vaccines for everyone. The Covax initiative works with the participation of high, middle and low-income countries, all working together to secure a highly competitive price by making an Advance Market Commitment. Already eight countries in Africa have agreed to self-finance their vaccine needs through the facility. The other 46 countries will be eligible for support. Vital dates for the initiative are coming up in the next two weeks: expressions of interest in participation need to be turned into

binding agreements by 18 September, and upfront financial contributions have to be paid by no later than 9 October. Negotiations are also in play with Afreximbank to develop additional financial instruments as required.

And finally, the determination of the **United States** to leave the WHO, which remains very much the lead organisation in the fight against Covid-19 for everyone else, took a further twist last week when it announced that it would not be paying its back-dated dues to the organisation. Under a 1948 joint resolution of the US Congress, Trump had to give one year's notice of a withdrawal and is required to pay what Washington owes for the organisation's current fiscal year (AC Vol 61 No 10). Instead, a junior State Department employee was sent out to announce that the \$18m owed for financial year 2019 and \$62m for financial year 2020 would be directed 'to pay the regular UN assessment'. In response, several eminent US lawyers took to Twitter to denounce what was seen as an unethical and illegal act. The US has also stated that it will not be involved with the Covax initiative. ●

POINTERS

Botswana/EU

LISTING REPUTATIONS

■ The listing of Botswana in February on the European Union's list of countries deemed not to be cooperating in the fight against money laundering and terrorist financing came as a shock to ministers in Gaborone, who claimed that the move was a 'devastating blow' and 'had the potential of tarnishing the image and international profile of the country' (AC Vol 61 No 11).

Being on the list means that banks must apply stricter due diligence to financial flows involving those countries, and companies there may not receive EU funds, but since the sanction will not come into force until October, countries have had a stay of execution.

Finance Ministry permanent secretary **Wilfred Mandlebe** told the Parliamentary Accounts Committee on 7 September that Botswana submitted its report to the Financial Action Task Force in April but that reviewers could not come due to the Covid-19 pandemic.

Officials in Gaborone now say they are now expecting to be given a green light by an audit assessment by the FATF in September, before a final decision is made by EU finance ministers in mid-October.

The 'blacklist' has been controversial and a sore point in EU-African relations for several years, with some African finance ministers accusing the EU of a form of regulatory imperialism by forcing them to comply with EU law on taxation but turning a blind eye to its multi-nationals exploiting tax treaty loopholes to reduce their tax obligations in African states each year.

However, European Commission officials point out that despite Gaborone's protestations of innocence Botswana was 'grey-listed' in 2019 and given a January 2020 deadline to toughen up its legislation to prevent money laundering.

Of the other four African states listed in February, **Ghana** is also likely to be removed while **Mauritius** and **Zimbabwe** are set to face the sanctions.

Tanzania

SINS OF THE COMMISSION

■ The opposition claims President John Magufuli is pulling out all the stops to prevent its candidates being registered for the October general election, although it is unlikely to match its performance ahead of last December's local elections when the National Electoral Commission (NEC) accepted the nominations of only 4% of opposition candidates. They complain that a plethora of dirty tricks is being used to keep candidates off ballot papers.

Zitto Kabwe's opposition Alliance for Change and Transparency-Wazalendo says that out of the 169 candidates fielded, only 104 have been confirmed by the NEC. In Zanzibar, where ex-members of the Civic United Front merged with ACT-W only 14 candidates have been short-listed out of 50 nominees (AC Vol 61 No 3).

Other tactics used by the election authorities to keep their candidates off the ballots, according to the ACT-W, include NEC officers forging objections to candidates, ignoring applications and pressuring employers of would-be candidates to deny them permission to stand or to sack them. Most of the Superintendents and Supervisors of Elections are officials for the ruling *Chama Cha Mapinduzi* (CCM), oppositionists say. In Zanzibar, where ACT-W is especially strong, it reports that election officials have, in many cases, refused to provide or receive appeal forms and closed their offices.

Similar complaints of bias against the election authorities have been made by **Tundu Lissu's** *Chama cha Maendeleo na Demokrasia* (Chadema), while both opposition parties have also reported attempted kidnappings, violence and intimidation (AC Vol 61 No 15). Kabwe's party has promised to use 'all legitimate means, including public mass action, to resist any acts of disruption and sabotage'.

Mozambique

CREDIT SUISSE NAMES GUEBUZA

■ Former President **Armando Guebuza** has been named in the High Court in London as a 'third party' in the civil case brought by Mozambique's Attorney-General, **Beatriz Buchili**, against Credit Suisse bank and Abu Dhabi shipbuilder Privinvest, over its \$2 billion in hidden loans (AC Vol 60 No 16). Mozambique argues it should not repay the loans because they were illegal and the associated projects fraudulent.

Guebuza has been joined to the law suit by Credit Suisse, along with seven other top Mozambican officials, as third parties because they are closely associated with the original Privinvest contracts and associated loans. The prospect of them being dragged into the case may scare Maputo either into dropping the suit or negotiating a settlement, a legal source said.

The defendants, we understand, are also pointing out that Mozambique is attempting to have its cake and eat it by blaming them while taking no action against those who authorised the deals.

Credit Suisse and its three former employees, and Privinvest, the shipping company which devised the original maritime deals, are both defendants but their interests may be diverging, we hear. 'It is becoming increasingly triangular,' our source said.

Privinvest applied – unsuccessfully eventually – for the case to be heard in **Switzerland** in what was widely seen as a delaying tactic which Credit Suisse did not approve of.

Guebuza's eldest son **Ndambi** – who has also been named in the suit as a third party – is being held along with 17 senior members of the ruling *Frente de Libertação de Moçambique* (Frelimo) in a Maputo jail (AC Vol 60 Nos 4 & 21). Although detained since February 2019, the prospect of trials starting any time soon still seems remote, insiders say.

World Bank/WTO

AFRICANS IN THE LEAD

■ By the end of this year, two of the most important international organisations, the World Trade Organization and the World Bank's private sector arm, the International Finance Corporation, could be run by African women.

After two months of informal hustings among the eight contenders for the WTO director-general post, the race has started to narrow after 'consultations' started on 7 September. Africa's two female candidates – **Kenya's Amina Mohamed** and **Nigeria's Ngozi Okonjo-Iweala** – lead the field, but Asian support is building for **South Korea's Yoo Myung-hee**, officials say.

They are called consultations because each member state sends its ambassador in Geneva – in person, despite the pandemic – to register its choice at WTO headquarters. Gradually, the candidates are whittled down until only two remain in the race, both trying to prove they can create maximum consensus.

Much rests on their approaches to **United States-China** trade disputes. Okonjo-Iweala has been criticised by Asian media for her dual US-Nigerian citizenship, arguing it suggests a tilt to Washington. Some US media argue that Mohamed's position on China's development status and trading position has been equivocal. US ambassador to the UN in Geneva, **Andrew Bremberg**, a close ally of President Donald Trump, insists the most pro-American candidate will win.

At the IFC a consensus has built up that the organisation's poor performance in Africa would be improved by having a leader from the continent. The front-runners are **Cameroon's Vera Songwe**, executive secretary at the UN's Economic Commission for Africa, and **Tanzania's Frannie Léautier**, chief operating office at Southbridge, an investment management company. We hear that **Thierry Tanoh**, a former IFC staffer and managing director at Ecobank until he was sacked in 2014, is also said to be interested in the job (AC Vol 55 No 14). Tanoh's lawyers eventually won a massive compensation award after courts in Lomé and Abidjan ruled he had been wrongfully dismissed.

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BLUE LINES

The lack of a coordinated response by commercial and official creditors to the worsening debt distress faced by resource-based African economies could trigger a wider payments crisis ahead of the annual meetings of the International Monetary Fund and World Bank next month.

At the videoconference, delegates will be under pressure to produce a longer-term strategy to manage the financial ructions triggered by the coronavirus pandemic.

Though a plethora of ratings agencies and analysts have warned that many African states will face debt distress, commercial creditors have fiercely resisted any formal cooperation on a debt initiative beyond a suspension, but not rescheduling, of payments due this year. They are likely to extend that programme into next year while fending off demands for more serious concessions. This is after rejecting an African Union proposal for a Brady Bond initiative in which some commercial debt could be backed by official institutions then converted into tradeable bonds.

Chad and Zambia warned this week that they will have to default on commercial payments. Zambia's request for a suspension of repayments to holders of its US\$3bn Eurobond was the first Covid-19-related default by a sub-Saharan African country. Angola, a much bigger debtor, currently benefiting from IMF backing as it restructures its obligations, has vowed to meet its Eurobond payments while it looks for relief from other creditors. The chickens are rapidly coming home to roost.

ZAMBIA

Default hits election plan

The de facto default on Eurobond payments is getting in the way of a plan by the ruling party to create a slush fund for its next election campaign

The government's request on 22 September to holders of its US\$3 billion of Eurobonds for a six-month suspension of repayments will have political repercussions as well as the financial ones that are exercising the markets. While state technocrats juggle with the figures, the ruling party fears that this sovereign default will hinder its plans to create a war chest for its August 2021 general election campaign. It hopes to fatten up a farm subsidy programme and skim from it to finance its political spending, *Africa Confidential* has learned.

The government has asked the International Monetary Fund for US\$300 million under its Rapid Credit Facility to help mitigate the effects of the pandemic on the Zambian economy, according to our sources. But the lion's share of those funds was intended to help finance a massive increase in the Farmer Input Support Programme (FISP), a subsidy to small and medium farmers, we hear.

The PF has issued inflated procurement contracts under the FISP from which it hopes to divert funds, *Africa Confidential* understands. Although conditions under the RCF are much looser than conventional IMF finance, we understand Lusaka has next to no chance of getting the money. Lusaka was already in bad odour with the Fund over the dismissal of Central Bank of Zambia governor Denny Kalyalya (AC Vol 61 No 17). Without that \$300m the government will struggle to fund the FISP.

Not only are the extra farm inputs – already in the process of distribution –

being employed to persuade small farmers to vote for the PF, but the contracts to supply the fertiliser and seeds were inflated so that the successful bidders could kick back portions of the contract price to the PF. The unusually timely arrival of inputs in large quantities is already proving popular among farmers, we hear.

DEBT TRIGGER

Before Zambia asked to suspend bond repayments, *Africa Confidential* learned that at least one private creditor was planning to call in the sovereign guarantee after negotiations with the borrower, state electricity company Zesco, failed to secure overdue loan repayments. When the guarantee is called, the remaining balance of the entire loan becomes immediately payable, amounting to over \$130m. Financial sources note that this one demand could cause many more loans to be called in in their entirety because of cross-default clauses. Zambia's extremely high debt exposure to private loans, especially to Chinese creditors, had long been noted before the current crisis over the Eurobonds arose (AC Vol 61 No 10).

The only way Zambia could pay Zesco's debt would be to dip into the already stretched foreign reserves -- down to \$1.43 billion in July. If it did not, then sovereign default would almost certainly follow.

In late August the government expanded the FISP massively. FISP's annual budget is usually about \$50m but it has been increased to \$500m, the sources say. The increase is because it is the last

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farming season before the election.

The FISP is designed to subsidise fertiliser and seed for small and medium farmers. Such programmes have been strongly criticised by both domestic and foreign experts on public finances and on farming but they have proved highly popular with voters.

Critics say inputs often arrive too late to be useful, and can create dependency, rather than encouraging farmers to 'graduate' from the programme through increased yields and higher profits. However, it is an important vote-winner in rural areas.

In late July, the government announced that it had allocated 1.7bn kwacha (\$85m) to the FISP. This is listed in its Excess Expenditure budget amendment that is expected to be formally presented to Parliament on Friday. Ministry insiders say that the figure of \$500m the FISP is said to cost was reached in August.

The increase in the value of the FISP is so great that experts say no agricultural policy or programme can justify it and points to kickbacks that will be expected to flow to the ruling party, in addition to supplying inputs for farmers.

Tender documents from recent years seen by *Africa Confidential* show bidders which have links to the PF winning contracts despite tendering at double the prices offered by their competitors.

One such is Nyiombo Investments Ltd, which is owned by local businessman and PF donor **Gulam Patel**. The value of neither Nyiombo's contract nor that of another major supplier has been revealed by the government, despite pleas to do so.

Both companies also deliver major government procurement contracts in fuel and pharmaceuticals. These companies have been accused of contributing to PF funds in return for the award of their government contracts in the local media on previous occasions, including contracts for agricultural inputs.

NEW LOANS

But increasing the size of the FISP needs finance. While the finance ministry seeks concessional funding, it has been taking out new loans in the past few weeks to pay for the FISP, we understand, including 700m kwacha

(\$35m) from Barclays.

A substantial amount of the FISP's \$500m cost has been disbursed already. Insiders say the government is under pressure to reduce costs, but contracts have already been signed and contractors have already spent money on procurement. It is unclear if cuts can be made at this stage. Central bank insiders say that the marked depreciation of the kwacha in the second half of August was as a result of the government having to buy dollars to pay the FISP supply contracts. In a statement on the foreign exchange market on 15 September, the Bank of Zambia admitted that demand for foreign exchange had increased because of imports of agricultural inputs.

Other reasons included payment of arrears to fuel suppliers. *Africa Confidential* has been told these arrears are now well above \$600m. The statement also described how debt service payments 'presented the largest call on international reserves.'

Overall, many analysts studying Zambia's public finances have been concluding that the global pandemic is being used as a device to raise finance for the PF to fight the next election. In light of this, they doubt Zambia will be any better placed to pay its Eurobonds next April, and are using Covid-19 merely to buy time. ●

MOZAMBIQUE**Surge of the insurgents**

The government has done nothing to dislodge Islamist guerrillas who have held a coastal district capital for over five weeks

After attacking Mocimboa da Praia several times this year, the Islamist insurgents of northern Cabo Delgado took control of the coastal town, which is a port and the district capital, on 11 August with no attempt by the government to retake it. The insurgents fought a hard battle with *Forças Armadas de Defesa de Moçambique* (FADM) soldiers in the town of 30,000 over five days from 6 August before the government retreated after running out of ammunition. Casualty figures are not known.

The decision of the insurgents to take and hold the town is a departure from normal guerrilla tactics, but the government's failure even to attempt to retake it after five weeks of occupation has caused equal, if not greater, surprise among analysts. The government

has been reluctant to devote all its resources to crushing the insurgency and divisions between the *Policia da Republica da Moçambique*, the primary security agency leading the counter-insurgency, and the FADM are believed to be part of the reason why.

The helicopter gunships of the **South African** private military contractor (PMC) Dyck Advisory Group (DAG) have been hampered by astute insurgent tactics, and a poor supply of intelligence on the government side (AC Vol 61 No 13). The time the machines spend over the targets is also limited by having to use a base far from the target areas. This may also be due to splits in the government command.

The insurgency runs through eight of the province's 16 districts, with five – Macomia, Mocimboa da Praia,

Muidumbe, Nangade and Palma – badly affected. About 310,000 people, over 15% of the provincial population, are displaced, some multiple times.

The World Food Programme has managed to provide food, but aid agencies are struggling. There have been several fatal outbreaks of cholera and diarrhoea.

In late August, the government launched the *Agência de Desenvolvimento Integrado do Norte* (ADIN), a development agency intended to make up for the dearth of development programmes and investment in the province.

The loss of Mocimboa da Praia is particularly humiliating for Maputo as it coincides with Mozambique assuming the chair of the Southern African Development Community. A regional plan of action to help Mozambique's counter-insurgency efforts was expected but none has emerged despite Maputo pledging to produce one at the SADC emergency Troika meeting in May.

One private military contractor close to the government told *Africa Confidential* that President **Filipe Nyusi's** government – Nyusi is from Cabo Delgado and very close to the

Makonde generals who have been running it – is anxious not to involve regional forces in the province because of the risk of losing control.

So reluctant is the state to regain control of the coastal town that conspiracy theories have started to circulate, including one which posits that the corrupt local generals of the ruling *Frente de Libertação de Moçambique* (Frelimo) are trying to exploit the instability in order to re-establish their former control of illicit trade, including transiting drugs shipments.

With the insurgents free to build defences at Mocimboa da Praia, they have expanded operations. The arterial roads leading to the provincial capital of Palma, centre of the onshore investments around the LNG projects, are subject to frequent ambushes.

LNG development sites have some 750 troops dedicated to their protection. That remains the highest government priority in the province.

The **French** oil major Total signed an updated security memorandum of understanding with the government on 21 August. The still secret document provides for a joint task force that Total will finance, and we understand the agreement allows for Total to replace FADM men with private contractors if it is not satisfied. Total has publicly expressed confidence in the government.

On 18 September, Total CEO **Patrick Pouyanné** met President Nyusi to discuss the security situation again. There are growing concerns that the

security commitments to the LNG project might not extend to Palma and the surrounding communities, which remain vulnerable, especially to large-scale attack.

THWARTED CAMPAIGN

Since the government launched its counter-insurgency campaign in conjunction with DAG in April, little has changed. The effort has been frustrated by weak logistics and a reliance on poorly equipped, inexperienced and heavily infiltrated ground troops and an inability to maintain momentum, with the initiative nearly always resting with the insurgents.

DAG's aerial attacks provide important backing for frightened troops, but by their own admission this is not a winning formula; they have been frustrated by poor intelligence and communications and having to navigate dysfunction in the FADM. Operating from Pemba, 182 kilometres from Mocimboa da Praia as the crow flies, they have been unable to get the required support to set up forward bases that would help operations in other parts of the province.

In June, DAG's contract was extended and expanded, adding more aircraft, a small ground force support contingent, and an agreement to train two companies of government forces. Once the Mozambican troops have been trained, air attacks will be coordinated with them so that they can follow up and prevent the insurgents from regrouping. For the moment, green troops fresh

from training are being deployed into combat zones in passenger buses.

The PMCs active in Mozambique have a very low opinion of the Mozambican security forces. But they also believe additional boots on the ground from SADC member states would not help at this stage. Tailored support for key functions, such as intelligence-gathering, sea patrols to prevent supplies coming in by boat, and better equipment would be preferable.

Whoever provides assistance will be faced with major challenges; a recent presentation to security sector stakeholders by Focus Group, a South African private risk management company with experience in Mozambique, provided a stark picture of government security force deficits, pointing to ineptitude, major intelligence gaps and leakages, desertions, and weak leadership. Recent mobile phone videos, which the government now claims have been faked by the insurgents themselves, include horrific footage of the torture and murder of a naked woman after she was taunted by soldiers.

With the rains approaching, the fighting will lessen as roads become unpassable, although attacks for purposes of recruitment, kidnappings, and securing precious food supplies will remain priority objectives for the insurgents. Much is claimed about the role of Islamic State and its contribution to the conflict by both the government and the insurgents, but its real effect is hotly debated. ●

SOUTH AFRICA

For sale: one used war machine

Local and international buyers are circling the debt-crippled and state-owned Denel as it is forced to sell its assets to stay afloat

Denel, the remnant of the arms manufacturing and trading colossus Armscor that once propped up apartheid, is probably the least-known of South Africa's beleaguered state-owned enterprises.

It is hardly suprising, therefore, that this orphan should be facing break-up and the disposal of its not inconsiderable assets. **Talib Sadik**, the former boss of Denel, has been brought back as interim chief executive to help supervise the process after his predecessor, **Danie du Toit**, failed to secure public funding for a recapitalisation programme and finance for future projects and contracts (AC Vol 61 No 13).

Another blow was a Labour Court judgment in favour of Denel workers obliging the company to honour all pay arrears owed to employees. This takes the whole company one step closer to bankruptcy, unless a surprise bail-out emerges from a cash-strapped Treasury. The arrears amount to 45% of Denel's annual revenue. The 576 million rand (US\$34m) allocation announced in the budget in February cannot be used for operational costs and is earmarked for Denel's debt load (AC Vol 59 No 5). This should encourage and attract prospective buyers, who are expected to bid piecemeal for the remaining parts of the business.

The most recent disposal is LMT Products, maker of the all-terrain, eight-wheel, amphibious Gecko light vehicle used by the South African National Defence Force (SANDF) – which was sold to armoured vehicle manufacturer OTT Technologies at the end of July. LMT also makes armoured vehicles.

Paramount Group, the largest privately owned defence and aerospace business in Africa, chaired by the former African National Congress treasurer **Mathews Phosa** and run by **Ivor Ichikowitz**, is another favourably placed potential buyer. Paramount already enjoys a privileged relationship with Armscor and Denel and, by extension, the state, having successfully entered into lucrative arrangements to license or re-engineer and export substantial amounts of surplus ex-SANDF equipment.

Since purchasing the South African Air Force's entire Dassault Mirage F1 fleet with all its spares and simulators, Paramount has gained influence as a contractor in the maintenance,

THE ANC'S STRUGGLE WITH ARMS

The state-owned arms manufacturer and trader Denel took on the vast majority of the assets and 15,000 personnel of the formidable Armscor in 1992 as majority rule loomed. Before sanctions hit hard and before the end of the Cold War, the highly self-sufficient Armscor – alongside the nuclear arsenal – had been a pillar of the apartheid government's survival strategy. The African National Congress thus inherited a formidable range of modern weapons systems, including world-class artillery, fighter jets, helicopters, armoured cars and the potential to develop sales all over the world.

Denel's first phase of existence under the ANC saw it cut links to overseas allies of apartheid, such as Israel. Under party veteran **Kader Asmal**, the arms export control committee of parliament restricted exports.

The next phase of Denel's development, according to ex-ANC MP and arms trade expert **Andrew Feinstein**, came under President **Thabo Mbeki** and his then deputy **Jacob Zuma** and the notorious \$7 billion 'arms deal', when enormous quantities of European military equipment were purchased after the payment of huge bribes (AC Vol 44 No 18 & Vol 59 No 7). Zuma is now being prosecuted for allegedly taking some of those bribes.

'The deal damaged Denel because the transactions, which were very corrupt, were undertaken under the auspices of Armscor and Denel, the state defence companies. In corrupt arms deals, the considered military requirements of a nation tend to be secondary,' Feinstein says. 'Much of the equipment ordered,' he says, 'was inappropriate for South Africa's needs and a significant amount of it has never been used.'

The ANC had no concept of what an indigenous arms industry's role should be, nor its role within national defence, let alone how South Africa might change its regional role under apartheid as the scourge of neighbouring countries to potential protector and ally.

But the arms deal had made the party realise that Denel had potential. 'Denel was seen at this point from two points of view within the ANC,' Feinstein says. The first was as a source of patronage and rents such as had been extracted in the signing of the arms deal. The second was as a back door to circumvent the ANC's pledges to abide by the 'Washington consensus' on neo-liberal policies.

South Africa had a limited 'offset' manufacturing role under the arms deal by making parts for BAE's Hawk jets, but of greater interest were the 'economic offsets', consisting of supposedly free capital for the ANC to use to invest. This was largely the brainchild of Mbeki-era Trade and Industry Minister **Alec Erwin** – architect of the Black Economic Empowerment legislation – and was a complete failure (AC Vol 44 No 23).

Without a strategic vision of how to develop Denel as a going concern, the ANC put it under 'reliable' party men such as **Max Sisulu**, son of ANC leader **Walter Sisulu**, who was appointed deputy CEO. The party used it as a source of rents and patronage or outright sell-off rather than as a potential key part of the economy. The last chance to rescue Denel failed when South African civil society revolted at the idea of selling it to, or investing in a joint venture with, **Saudi Arabia** (AC Vol 59 No 20).

'Essentially, Denel was plundered,' Feinstein says. 'President Ramaphosa has inherited an industry that, in the present circumstances, he sees he can do little with except sell off to help with the state's beleaguered finances,' he added (AC Vol 61 No 13). ●

modernisation and repair of these multi-role fighter aircraft and in training pilots to fly them. In 2018, it signed a deal with **United States**-based defence contractor **Draken International** to overhaul and support its **Mirage F1** fleet, which is used for simulated combat training missions in the US. Paramount looks well placed to play a prominent, and profitable, role in future contracts.

Ichikowitz is dogged by reputational issues, however. The non-profit **amaBhungane** centre for investigative journalism published an unflattering profile on 18 September, alleging he provided favours to **Congo-Brazzaville's** President **Denis Sassou-Nguesso** and **Malawi's** President **Joyce Banda**, as reported in *Africa Confidential* (AC Vol 55 No 3). He fell out with his partners in a company called **Aerosud** and their

joint venture to manufacture a light counter-terrorist ground attack aircraft is in business rescue. The armoured vehicle section of the **Ichikowitz** company, **Paramount Combat Systems (PCS)**, which made armoured vehicles, is in liquidation. The investigation claimed that Paramount used income from just-signed deals on ongoing projects, leaving later projects short of cash. **Ichikowitz** took strong exception to **amaBhungane's** article and denied all wrongdoing.

BIT BY BID

Other buyers are also expected to make piecemeal bids. South African firm **Milkor**, the market leader in 40mm grenade launchers, looks keen to expand into areas in which Denel has developed specialised skills and

products, including cyber warfare, remote-controlled drones, naval craft and armoured vehicles.

Morocco may be eyeing some sort of deal as their parliament has recently passed legislation that would enable partnerships to establish a nascent armaments industry and may be looking at and shopping for 'off the shelf' parts of Denel to give it a head start. The new legislation coincided with an op-ed article by the Moroccan ambassador in a South African newspaper reminding South Africa of their past cooperation and appealing for more in the future, at a time when South Africa's economy is reeling.

Sadik was appointed last week to hold the fort while the search for a new boss is under way. He will be aided, presumably, by the appointment of a new Defence Secretary, **Gladys Sonto Kudjoe**, a former ambassador to **Sweden** then **Egypt** and an intelligence service official who served at a Director General level. **Kudjoe**, who took office on 1 August, was also a member of the board of Paramount.

In the highly secretive world of arms trading and dealing, it remains to be seen whether more local or foreign buyers are interested in absorbing more specialised parts of Denel, or whether they will be permitted by their governments to increase their participation in areas including propellants and munitions made by Denel Rheinmetall or precision guided weapons from Denel Dynamics (AC Vol 59 No 20).

The remaining parts of Denel that have yet to find buyers include Pretoria Metal Pressings (PMP), the small-arms ammunition-maker, Denel Land Systems, and Lyttleton Engineering Works, the foundry which makes barrels for the 155m G5/6 long-range self-propelled howitzer and other large-calibre weapons. Denel Aeronautics, which is responsible for the maintenance of South Africa's remaining combat helicopters, will also stay in state hands because of its inability to turn a profit.

Much now depends on the discretion, sales and diplomatic skills of **Kudjoe** at a ministry historically known for its opacity. This leaves **Kudjoe** ample leeway for more intrigue, government-to-government exchanges, pacts and treaties covering a range of deals and disposals, involving cash, in-kind barter or goodwill and all the experience that she has honed over a lifetime of loyal service as a diplomat, arms-dealing connected businesswoman, fixer and spy. It should all come in handy in her new combined role as emissary, political appointee and civil servant. ●

NIGERIA

Buhari goes to the market

The pandemic has forced the government to end subsidies and move towards cost-reflective electricity pricing – and risk the fallout

Shrinking oil revenues and the wider economic fallout of the coronavirus pandemic are putting pressure on policymakers to limit the damage. In the short term that will mean higher prices and political risks as the last pillars of the state subsidy regime begin to crumble.

In its place, says a small group of reformers in Abuja, the government can end the power of vested interests in the fuel-trading sector and sift out some of the dubious owners of electricity distribution companies.

A new generation of locally owned oil refinery companies could be the beneficiaries, while the serially corrupt clique importing fuel and generator sets could be pushed out of business. Instead of relying on regulations, the government is using the market mechanism to push its priorities.

There is still likely to be a fightback by those who have grown fat off petroleum product imports for the past 50 years (AC Vol 61 No 15). 'Reports of the death of the generator and fuel import scams are greatly exaggerated,' a Lagos trader told *Africa Confidential* with a smile. But he admitted that government largesse for special interests was now at a premium and that the pandemic-prompted recession had changed the dynamics.

The economy contracted by over 6% in real GDP terms during the second quarter and will continue to fall in the third quarter. This will mean plummeting per capita incomes accompanied by a spike in unemployment, rising inflation, as well as fears of food shortages.

The modest impact so far of stimulus and related policy measures championed by the finance ministry, Central Bank of Nigeria (CBN) governor **Godwin Emefiele**, and Vice-President **Yemi Osinbajo's** Nigeria Economic Sustainability Plan (NESP), is accompanied by fears over fast-rising public debt and fiscal deficits.

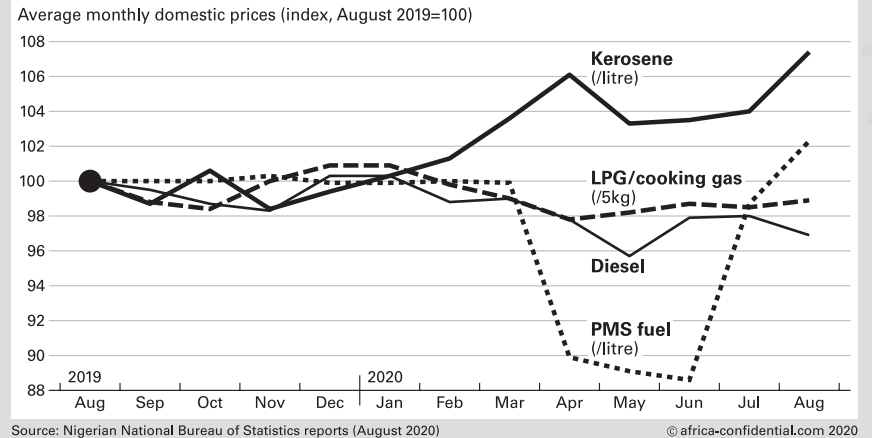
These developments seem to be forcing President **Muhammadu Buhari's** hand. With a new team of advisors under Chief of Staff **Ibrahim Gambari**, who stepped into the role after Covid-19 claimed the life of **Abba Kyari** in April, Buhari appears to be revising key aspects of policy (AC Vol 61 No 12).

This year's devaluations of the naira and a gradual move towards a unified exchange rate may have been announced by Emefiele but they reflect

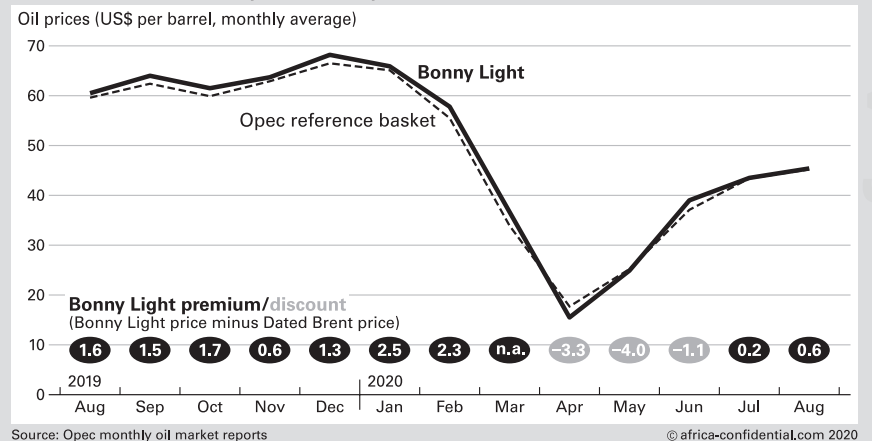
Buhari's willingness to adjust his position on using reserves to defend the currency. Foreign exchange reserves are about 20% lower than a year ago. Nigeria's turn to the International Monetary Fund (IMF) for US\$3.4 billion in emergency financing puts pressure on both Buhari and the CBN to heed the Fund's exchange rate advice.

Foreign investors, manufacturers and corporations are complaining about the restricted access to foreign exchange, and World Bank officials are suggesting forex shortages imperil the

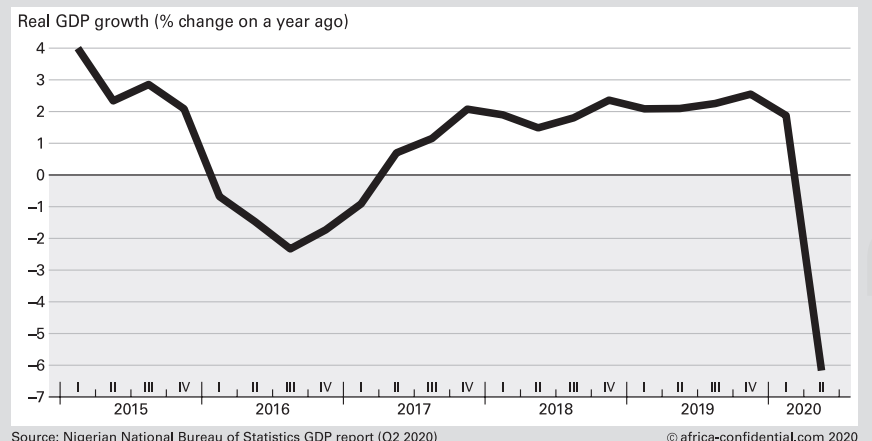
NIGERIA FUEL PRICES – FOLLOWING THE MARKET



WORLD OIL PRICES (2019-2020)



NIGERIA'S GDP GROWTH – INTO RECESSION



finances of big industrial projects such as power stations.

Buhari's critics claim further naira depreciation is needed. They also bemoan the latest restrictions on access to foreign exchange for key imports. This month Buhari demanded that the CBN restrict foreign exchange for all fertiliser and food imports, just days after he had approved a significant release from Nigeria's domestic maize reserves.

In July maize joined the over-40 strong CBN list of imports which would be denied access to official foreign exchange sources. The idea was to boost domestic production, although temporary exceptions have since been granted to selected maize importers.

Recent developments in the energy sector also support the view that Buhari has changed his strategy in the wake of Covid-19 and the oil-price contraction. There is a fundamental break with the principle of universal subsidies with the recently confirmed increases in petrol prices, and electric power tariffs.

The policy change in the fuel market was also driven in part by fiscal realities. Petroleum Minister **Timipre Sylva** claimed that the official elimination of fuel subsidies could save Nigeria up to N1 trillion (\$2.6 billion) annually – a tenth of this year's N10.8trn (\$28bn) budget.

The move, now publicly backed by Buhari with assertions that the country's subsidy era is over, has come in stages. With Buhari first reducing prices from an already-cheap N145 (\$0.38) per litre, and the regulator announcing

fuel price bands within which Nigeria's fuel marketers could operate. Now the regulator declares that prices will be set by the market.

The caveat is that the prices would not be 'exploitative' and would be subject to the Nigerian National Petroleum Corporation's (NNPC) role – via its downstream subsidiary – in importing fuel and setting its ex-depot or wholesale price.

Marketers still complain of shortages of forex to import fuel directly. Unfortunately for Buhari, domestic reaction has been hostile as pump prices increase. They could increase yet further if international oil prices continue their recovery.

POLL POSITION

For now, the protests and opposition from unions, manufacturers and others come as the two main parties are positioning themselves ahead of national elections in 2023. In the Edo State election on 19 September and the Ondo State election due on 10 October, the fuel price question has not been a key issue (see feature). This is partly because the People's Democratic Party has been calling for the end of the fuel subsidy (AC Vol 61 No 16).

This policy change on fuel prices could, says Sylva, be followed by passage into law of the long-delayed Petroleum Industry Bill (PIB) which is said to offer stronger incentives to invest for the international oil companies, more specialised opportunities for local companies and higher standards of

corporate disclosure (AC Vol 61 No 10).

Planned moves will include more use of gas-based alternatives to petroleum products. The downstream sector also faces radical change with a deluge of new refineries due to start up over the next three years by billionaires **Aliko Dangote** and **Abdul Rabi'u**, fresh investment to rehabilitate the four domestic refineries and several other private sector-sponsored projects.

Developments in the power sector are complicated by difficult negotiations over conditions for raising tariffs.

The heavily indebted distribution companies' (discos) demands for power price increases have been met by stringent conditions from both Buhari and the regulator, the Nigerian Electricity Regulatory Commission. Although initial plans to raise tariffs back in April were delayed amid economic disruption, price increases for some but not all customer categories are to follow five months later.

With the discos tasked to improve their erratic service quality, Buhari has demanded the importation of electricity meters to adequately record consumption. The federal government has committed to fund part of the remaining tariff shortfalls until further tariff increases are implemented.

Some hope that Nigeria's power sector could become much more attractive to investors. Major investment in generation, transmission and distribution will be needed to produce enough domestic power for Nigeria's needs. ●

NIGERIA

Edo's not so merry-go-round

The opposition PDP claims its success in a fiercely contested governorship poll will relaunch it for the next national elections

The contest for Edo State governor on 19 September was set to be bitter and partisan with a heady mix of local and personal rivalries, just as the two main political parties began to limber up for presidential and legislative elections in 2023.

The ruthless pursuit by the rival parties of victory at all costs caused the **British** and **United States** embassies – notwithstanding their own domestic challenges – to call for calm, while they slapped visa bans on unnamed regional politicians linked to violence and efforts to undermine democracy.

The run-up to polling was far from smooth. **Godwin Obaseki**, the

incumbent governor, was dropped by President **Muhammadu Buhari's** All Progressives' Congress (APC), after falling out with his political godfather, former party chairman and predecessor as governor, **Adams Oshiomhole** (AC Vol 61 No 4 & 16).

Obaseki switched in June to the rival People's Democratic Party. **Osagie Ize-Iyamu**, who stood (and lost) on the PDP ticket in 2016 against Obaseki, had already converted to the APC. Rival camps accused each other of interfering in the process, but the Independent National Electoral Commission (INEC), against the background of Covid-19, delivered on the logistics and voting

passed off without serious incident.

The results were clear: Obaseki defeated Ize-Iyamu by 307,955 votes to 223,6019, according to official figures. President Buhari congratulated the winner. The loser said many of his supporters had been unable to vote, and that he was considering his options.

If the result stands, it could prove fatal for Oshiomhole's career. As party chairman he carried the can for divisions that marred the 2019 national campaign, which saw Buhari re-elected but the APC fall short in several regions (AC Vol 60 No 5). Oshiomhole's looming demise is a blow to the ambitions of one of his patrons, former governor of Lagos and APC baron **Bola Tinubu**, who has been eyeing a presidential run in 2023.

Obaseki's victory is only in part a reflection of his record in government. Insiders say it is as much an endorsement of his decision to break with Oshiomhole and align himself with Nyesom Wike, the PDP governor of Rivers State and a growing force in his party. Another beneficiary may prove to be former

Rivers governor and serving Transport Minister **Rotimi Amaechi**, who has a difficult relationship with Wike but was not a fan of Oshiomhole or Tinubu.

These pragmatic alliances point to a constant in the country's political culture, where the interests of factions and personalities have little reference to ideology, policy or party.

With President Buhari now in his final term, there is fierce interest in the 2023 election but few signs that either main party is close to picking a candidate. That raises the prospect of potential defections, splinters and speculation about the emergence of new parties.

Indeed, the PDP has barely landed a glove on the APC, which dominates both houses in the National Assembly, on any number of issues since the 2019 elections, from security to the economy and management of the current health pandemic (AC Vol 61 No 9).

Some blame the PDP's preoccupation with its internal problems. Others say traditional forms of money politics and political management have helped keep the party's legislators quiet.

Instead, the PDP has left it to some of Nigeria's veteran opinionistas to hold forth. Days after former President **Olusegun Obasanjo** – who has found fault with all of his successors – described Nigeria as 'fast drifting to a failed and badly divided state' under President Buhari and an economic basket case, Nobel laureate **Wole Soyinka** uncharacteristically agreed with his kinsman. It earned both men a rebuke from the presidency, which described Obasanjo as a 'Divider-in-Chief'.

Kingsley Moghalu and **Obiageli Ezekwesili**, who made no impact as candidates of minority parties in the 2019 election, have moved back to private life. **Omoyele Sowore**, also a

candidate who failed to dent Nigeria's two-party culture in the last election, is a trenchant critic of the Buhari administration on the Sahara Reporters news website, and was jailed for several weeks last year.

More mainstream players seem focused on internal party dynamics: Buhari has no obvious successor and is unlikely to be as intrusive in retirement as the likes of Obasanjo. **Atiku Abubakar**, Vice-President from 1999 to 2007, who ran for the PDP in 2019 (after seeking the APC nomination four years earlier), may be past his sell-by date.

Governor Wike and his Delta State counterpart **Ifeanyi Okowa** showed themselves capable operators in marshalling resources to aid Obaseki's Edo campaign. All eyes will now be on Obaseki's deputy, **Phillip Shaibu**. An Oshiomhole disciple, his street smarts and grassroots connections were key to the defeat of his former mentor, first in their shared district and then across the state. Both men could potentially be slugging it out again, this time for a senate seat in 2023.

PDP PUSH

Central to the PDP's messaging was for the Edo people to reject being stooges of Tinubu. That strategy also worked in 2019 in Oyo where newcomer **Seyi Makinde** rode to victory against his opponent in the APC. Some say that Makinde's role as a peacemaker, galvanising aggrieved groups within the party to ensure Obaseki's victory, could set him up for a vice-presidential run on the PDP ticket in 2023 or 2027.

All six states in the core Niger Delta are under the PDP's control, which will be useful for the party's campaign for the presidency in 2023. The PDP has 16 states to the APC's 19; Anambra in the South-East, which is held by

the regional All Progressives Grand Alliance, is the only outlier in the country (AC Vol 61 No 17).

The PDP wants to repeat its Edo success in the Ondo governorship elections, scheduled for 10 October, through perennial aspirant **Eyitayo Jegede**, who is contesting incumbent APC governor **Rotimi Akeredolu** and his former deputy, **Agboola Ajayi**, who is standing for the Zenith Labour Party, a local party founded by former housing minister and Akeredolu's predecessor, **Olusegun Mimiko**. Insiders reckon Akeredolu is likely to edge ahead but the PDP is keen to test its resurgence with another strong showing.

The collateral damage within the parties may see the emergence of a third, equally ideology-free force, made up of bruised egos and casualties from both the PDP and APC.

Meanwhile, back in Edo, the challenges of public administration beckon. Obaseki has been tackling an inherited backlog of pensions and salaries and promises to deliver on public transport and other reforms.

He also has a cultural agenda, and has been campaigning for the eventual return of the Benin Bronzes, artefacts looted during the British invasion of the ancient Benin empire in 1897 and now spread across many cities in Europe and the US. Obaseki has established a trust with the Oba of Benin, Edo's traditional ruler. They are working with the celebrated Ghanaian architect **David Adjaye**, who has designed a palace museum, to retrieve as many of the bronzes as possible.

Despite the recalcitrant stance of many museums warehousing the looted Benin treasures, campaigners believe that this year's global activism over colonial history and its cultural symbols could work in their favour. ●

SIERRA LEONE

Strife hampers Bio's reforms

Half-way through its term, the government's reforming zeal on education and administration is not healing wider social divisions

Rowdy partisan battles and a pandemic-weakened economy are slowing the government's efforts to create jobs and invest in education and public health. Promoting national reconciliation after two decades of civil strife is proving harder than the cheerleaders of President **Julius Maada Bio** had claimed.

On paper, President Bio is an ideal candidate. After racing through the ranks of the military, Bio headed a military regime that handed over to a civilian government. Then he left for the **United States** to study for a degree. He and his wife **Fatima** extol the need for massive investment in education, a reason for their personal popularity.

Yet his government risks being undone by Sierra Leone's vicious political partisanship. Critics say he has done little to reunite the country, fractured along regional and ethnic lines, that he took over from his predecessor **Ernest Bai Koroma**.

Bio's announcement in March of a year-long state of emergency in response to the Covid-19 pandemic was widely seen as excessive. There were few cases of the virus at the time. As of 19 September, there were 2,159 reported cases in Sierra Leone and 79 deaths since the outbreak started.

Just before the state of emergency, former Defence Minister **Paolo Conteh** was found to have carried a loaded gun into President Bio's house where he was due to attend a meeting on preparing

REFORM IN A TIME OF RECESSION

Despite the toxic politics, President **Julius Maada Bio's** government has pushed through some important if incremental changes. In August, the government repealed the draconian criminal and seditious libel law although **Sylvia Blyden**, a minister in the previous government and an outspoken commentator and blogger, is still facing trial for seditious libel over for some inflammatory social media messages (AC Vol 59 No 14). She spent 50 days in custody before winning bail.

President Bio announced a state of emergency on rape and other sexual offences in February 2019 and prison terms for those crimes were lengthened. A fast-track court for sexual offences has also been set up at which more convictions have been secured.

Bio's biggest move was the introduction in September 2018 of the Free and Quality Education (FQE) programme which abolished school fees. There is an automatic scholarship for sciences, technology, engineering, agriculture and mathematics (STEAM) course at any public university.

Education Minister **David Moinina Sengeh**, one of the most dynamic in the Bio cabinet, became a social media star when images circulated of his 10-month-old daughter strapped to his back during a Zoom conference call on the pandemic. He said afterwards it should force men to think about their family roles. Sengeh is calling for 'radical inclusion' meaning a sharp increase in female students at secondary and tertiary institutions, a cause strongly backed by **Fatima Maada Bio**, the President's wife.

The fight against corruption has chalked up some wins, although it is mostly focused on the former administration and small fry in the current one, leaving bigger fish unhindered (AC Vol 60 No 7). The charismatic young head of the Anti-Corruption Commission, **Francis Ben Kaifala**, has won praise. The country has now passed the benchmark that the United States applies before allowing funds to be disbursed by its Millennium Challenge Corporation.

Bio's worst problem is the economy. Government revenues have increased due to the new single treasury system. Previously, government funds were held in many different accounts and control was poor.

Before the pandemic struck, there was unprecedented hardship and unemployment soared. The value of the country's currency – the leone – has plummeted, losing about a third of its value since Bio came to power, pushing up the cost of living. Since Covid-19 it has got worse.

When the government cancelled the licences of the two largest mining companies, the Chinese-run Shandong, and SL Mining, which is owned by the US-based Gerald Group, Mines Minister **Foday Rado Yokie** said they had broken the law. Both companies are challenging this in court (AC Vol 61 No 4).

Ending the contracts was backed by the Attorney General, **Priscilla Schwartz**, whose partner heads the National Minerals Agency and also backed the move. What happens now is less clear because Bio sacked the mines minister and Schwartz last month. ●

Unlike its predecessor, according to Laval, the Bio government is going to the heart of poverty reduction. But getting results in a single electoral term will be a struggle.

'Bio is saying "how can I seek the longer-term vision and at the same time get the mandate of the people so that I can be re-elected to complete my vision". So that is [the] trouble,' said Laval.

From the start of Bio's presidency in April 2018 he was locked in combat with the opposition APC. Although he won the presidential election, Bio was facing a hostile parliament in which the APC had 68 seats and his own SLPP only 49 (AC Vol 59 No 9). The appointment of the Speaker of Parliament proved the first explosive confrontation.

INJUNCTION

At the swearing-in of the new parliament, 16 APC members were ordered to leave after a high court injunction barred them from taking part. Ten of those MPs' elections were being challenged. The opposition refused, chaos broke out and in unprecedented scenes, the 16 MPs were bundled out of the house by uniformed police, with their colleagues following them in solidarity.

The following month, judges upheld the ruling against the 10 APC MPs. Following a precedent set under President Koroma, nine of those seats went to the SLPP, which now holds 58 seats to the APC's 57.

The tenth seat is vacant after a contentious by-election was annulled by the electoral commission citing violence. On the day the courts handed down their verdicts, opposition supporters protested the ruling outside the court and in front of their party's headquarters.

For hours, police laid siege to the APC building and fired teargas into it when party supporters refused to come out.

Those fights were on the mind of the APC's **Richard Konteh** when he assessed President Bio (AC Vol 55 No 12). The chairman of the party's Technical Committee and Koroma's former chief of staff called it 'two-and-a-half wasted years... characterised by human rights abuses, by rampant incarcerations of peaceful citizens, by rampant killings, harassment and intimidation of the opposition.'

Much the same was said about President Koroma's tenure: that it was marked by ethnic favouritism, patronage and corruption detailed in the 2018 post-election report. And Konteh has been indicted by the Anti-Corruption Commission (AC Vol 59 No 13).

Marcella Samba-Sesay, who heads

for the pandemic. On 19 March he was charged with 16 counts of treason. Many also saw this as an over-reaction, and in August he was convicted of carrying a weapon in a prohibited place and sent to prison for two years. The jury acquitted him of treason.

CLASHES

Another political storm blew up on 8 May when Bio accused the opposition All People's Congress (APC) of organising a spate of violent attacks. That was after 18 people died in clashes with police in the opposition strongholds of Lunsar, Makeni and Tombo, in the north and west of the country.

Two members of the APC were arrested and detained without charge, which the Chief Justice **Desmond Babatunde Edwards** ruled as justifiable under the state of emergency and when court sittings had been suspended.

There are concerns that President Bio is doing little to dampen down the volatile local politics and rein in the hardliners in his Sierra Leone People's Party (SLPP) and that raises questions about the government's trajectory.

A report by local think-tank, the Institute for Governance Reform (IGR)* says that although the government made an impressive start on economic policy creating a single treasury account, which sharply cut financial leakages, building national cohesion 'remains a challenge'.

Assessing Bio at mid-term, IGR Executive Director **Andrew Laval** said: 'Bio set himself that bold vision to turn the tide of illiteracy, diseases, poverty.' Yet the President, says Laval, is torn between the long-term goals of boosting social investment and making the quick fixes for electoral success (AC Vol 59 No 19).

the Freetown-based Campaign for Good Governance, sees a stressed, fragile state but says the government has missed opportunities to reconcile communities.

Initially, the president's response to the Covid-19 pandemic was hailed as exemplary, a sign that lessons had been learned from the disastrous management of the Ebola outbreak in 2014-15 (AC Vol 57 No 4).

Before a single case was confirmed in the country, President Bio visited the airport area as well as the main border crossing point with

neighbouring Guinea, while his Vice-President, **Juldeh Jalloh** visited the Liberian border.

They informed the public about the imminent arrival of the coronavirus, put the response centre on alert, closed the country's borders, introduced automatic quarantine for anyone coming in from a country with more than 50 confirmed cases of Covid-19, and eventually closed the land border and airspace.

When the virus struck on 31 March, things unravelled. The lack of preparedness to deal with quarantine, poor contact-tracing of confirmed

patients and non-payment of the weekly hazard allowance to frontline responders pointed to distorted priorities.

While some workers went for months without their weekly allowance, luxury four-wheel drives were bought for top officials in government offices. The initial impressive response petered out as people questioned the rationale for a year-long state of emergency. ●

* 'Uniting Bo and Makeni' from the Institute for Governance Reform, Freetown 2020

KENYA

Keeping up with the Kenyattas

As they take the field, the battle between the President and his deputy is testing the limits of ethnic politics

'You should go and insult your mother, not mine' said President **Uhuru Kenyatta** on 10 September to a small crowd just outside Nairobi. He was referring to two Kalenjin politicians – **Johana Ng'eno** from Narok, and **Oscar Sudi** from Nandi – who had the previous weekend reminded Kenyatta that Kenya belongs to all the 47 ethnic groups 'and not to the Kenyattas or Mama **Ngina Kenyatta**' (Kenyatta's mother). Many of the President's disciples, including some Jubilee Party female legislators, attacked the two men for 'abusing the mother of the nation'. Like most Kalenjin, the two politicians resent of the President's treatment of his Deputy, **William Ruto** (a Kalenjin), now practically excluded from all aspects of government by a squad of the President's closest advisers led by Jubilee Party deputy chairman **David Murathe**, in alliance with **Raila Odinga's** key men in the Orange Democratic Movement.

Speaking passionately in Kikuyu, Kenyatta told the impromptu audience at Ruaka township on the Nairobi/Kiambu boundary that while the two Kalenjin MPs (and ardent Ruto supporters) were busy abusing his Kikuyu mother, he was promoting economic development in the Kikuyu countryside. Making an ethnic pitch for the political direction that he has taken since ditching Ruto, he added: 'From here I am going to inspect a new major road under construction, linking Kiambu, Murang'a and Nyeri' the Kikuyu heartland.

Kenyatta told his audience that he had no time for politics, only for development, and that he was working

to unite the country 'as never before' – a political task of enormous magnitude given the current ethnic divisions. He was referring to the Building Bridges Initiative (BBI) he has initiated in partnership with Odinga, which aims at uniting Kenyans through constitutional reforms. The noted social media propagandist, **Mutahi Ngunyi**, has been brought into State House to disseminate the new Kenyatta line.

But it does not add up. As Kenyatta was lecturing his audience, Ng'eno and Sudi were taken into police custody awaiting charges of ethnic incitement. Human rights advocates say this amounts to intimidation and violation of free speech. The arrests have incensed the Kalenjin who voted overwhelmingly for Kenyatta as a presidential candidate three times, in 2002, 2013 and 2017. Ethnic bitterness under Kenyatta is rising, not falling as the President claims. Even the millions of Kikuyu in the Rift Valley, who live cheek by jowl with Kalenjin farmers, are not amused by the government's anti-Ruto and anti-Kalenjin rhetoric. They are well aware of the vicious 2008 post-election violence between the two groups that left thousands dead and hundreds of thousands displaced.

KIKUYU ANGER

Last week, *Africa Confidential* spoke to many Kikuyu in the Rift Valley town of Nakuru who are angry with Kenyatta's new stance and have pledged to support Ruto in the 2022 elections in order to perpetuate the inter-ethnic harmony that has prevailed in the region since Ruto and Kenyatta formed their

political partnership in 2013. Above all, the Nakuru Kikuyus deplore what they say is moral bankruptcy ('uzembe') in using Ruto and Kalenjin votes to win the presidency twice under the Jubilee Party, and then throwing them into the ditch immediately after victory in favour of a new alliance with Odinga who had fought Jubilee and abused the Kenyatta family in more coarse language than either Ng'eno or Sudi. Despite being ostracised by Kenyatta, prominent Kikuyu leaders in Nakuru – like Senator **Susan Wakarura Kihika**, **Kimani Ngunjiri** and **Jane Njeri Kihara** – have sided with Ruto.

In the Kikuyu Mount Kenya region, once Kenyatta's stamping ground, his fortunes are faring little better. It is not so much resentment of practically bringing Odinga into government after the March 2018 handshake; Kikuyu appreciate it has brought peace that made going about one's business in Nairobi easier. It is the unfulfilled campaign promises and jarring, discordant voices that pass for Jubilee government policy in Nairobi.

Campaign promises of better roads, water projects, electricity and most important of all, improved prices for tea and coffee producers, have been largely unmet. The inability to root out corruption, best evidenced by recent allegations of embezzlement of donor funds intended for Covid-19 victims, and the fact that names associated with corruption are people known or close to Kenyatta since 2013 – has damaged his credibility. The policy of arresting or demoting politicians allied to Ruto – such as sacked former agriculture minister **Mwangi Kiunjuri**, Kikuyu MP **Kimani Ichungwa**, who was sacked from the parliamentary budget committee chairmanship, and **Kithure Kindiki**, who was removed as senate deputy speaker – has stoked anger against the government and sympathy for Ruto among some in the region (AC Vol 61 No 12). As he watches ODM former rivals take such positions,

a Mount Kenya politician told *Africa Confidential*, 'It is like we won a soccer match against a tough team, then our captain handed the trophy to the losers.'

Luo intellectuals in ODM see it the opposite way, which will make the unity Kenyatta promises difficult. They claim Kenyatta knew he lost to Raila in 2017 which is why he reached out to him to help him (Kenyatta) to rule with the benefit of Raila's wit and many talents. And true enough, Raila deserves credit for new policies like the BBI, a new formula for sharing budgetary funds between counties, and relations between Kenya and **Felix Tshisekedi's** government in **Congo-Kinshasa**.

Odinga has said he now awaits the Covid-19 pandemic to abate so that he can resume the pro-BBI referendum campaign, which he has assured his followers the government will fund despite a record shortage in revenue. He would like a third layer of government

between Nairobi and the counties. Ruto is openly opposed to that. Given the country's tradition of ethnic-bloc voting, the referendum will tear Kenyan ethnic groups even further apart.

Against the backdrop of a shrinking economy thanks to Covid-19, rapidly increasing public debt closing on 65% of GDP, declining tax revenue, corruption, rising unemployment, and a fast-depreciating national currency, Kenyatta and his closest advisors are accusing Ruto of corruption, insubordination to the President, and of planting saboteurs in government – such as those sacked or demoted – to undermine the Big Four Agenda. With time fast running out, Kenyatta has taken to personally supervising select projects, often in disguise. On the night of the Madaraka holiday on 1 June he drove Raila around downtown Nairobi to show him newly surfaced roads. On 20 July he drove himself to the

Nairobi Railway Station without a face mask, inspecting works and charming crowds. He has paid unscheduled visits to hospitals under construction in Nairobi's slums like Kibera and Mukuru, in addition to the new road for the Kikuyus, all being funded by local debt.

On 18 September, to break the impasse on sharing revenue between counties in Kenya's senate Kenyatta, with Odinga at his side, decided to promise an additional 53 billion shillings (US\$489 million) to the counties without consulting independent experts or Treasury. This will worsen the deficit. It also violates the constitution, which allocates only 15% of revenue collection to the counties.

Kenyatta is determined to leave a legacy in Kenya politics and the economy. but there is no systematic plan in the manner of President **Mwai Kibaki's** Vision 2030. As a result, it seems that neither will be achieved. ●

UGANDA

Watering down the Wine

The failure of oppositionists Bobi Wine and Kizza Besigye to agree an alliance boosts President Museveni's electoral chances

The country's opposition parties are divided over tactics and local rivalries ahead of national elections next year. The hopes that the political sensation **Robert Kyagulanyi**, aka **Bobi Wine**, could rally a national alliance against President **Yoweri Museveni** have been thwarted by political differences.

Although the elections due between 10 January and 8 February would have provided a stern test for Museveni's National Resistance Movement (NRM) government, weakened by the economic downturn and charges of corruption, a divided opposition will have little chance of victory.

A further complication is that the electoral commission is restricting campaign rallies, citing public health requirements due to the coronavirus pandemic. It told opposition parties to use local media for their campaigns but broadcast media is heavily controlled and oppositionists say security agencies bar them from appearing on political shows.

Social media, which the government has tried to disrupt in the past, will be a critical arena in this election, especially for the under-25s who make up 77% of the population. It is from the younger generation that Bobi Wine draws his

strongest support.

Kizza Besigye, who has challenged Museveni in four presidential elections, says he will not run next year. Besigye and Bobi Wine have a formal alliance but it has little practical effect as their supporters still see themselves as rivals.

The veteran oppositionist, although friendly with Bobi Wine, is keeping his options open and favours a mass street protest campaign against Museveni. Other leaders who have long campaigned against Museveni can't bring themselves to throw their lot in with Bobi Wine.

Besigye says he will focus on stepping up his activism in an effort to 'turn all Ugandans into fighters' so the people can recapture power from Museveni's 'military government'. His argument is that Ugandans cannot remove Museveni through the ballot box so long as he controls the electoral commission, the police and military, and the country's coffers.

Ruling party politicians regularly defy the electoral commission's ban on public assemblies, holding rallies and processions, while opposition gatherings are suppressed by the police.

Besigye believes President Museveni must be forced out by massive street

protests like the 'Walk to Work' protests he organised in the aftermath of the 2011 elections over rising fuel and food prices (AC Vol 52 No 9). Those protests started in Kampala before quickly spreading across the country until they were crushed by the military. Those protests were probably the closest any politician has got to threatening Museveni's hold onto power.

However, Bobi Wine believes he can reproduce on a national scale his stunning by-election victory in Kyadondo East in 2017, which he took with 78% of the vote. The hope is that so many votes would be mobilised that the NRM's normal mechanisms for fixing the vote in President Museveni's favour would be overwhelmed.

STRAINED ALLIANCE

Besigye and Bobi Wine recently held a press conference renewing their alliance but they are on different courses and so risk splitting the anti-Museveni vote.

Their strategic differences became clear when Bobi Wine burst onto the national political scene. While Bobi Wine mobilised Ugandans to register for National Identity Cards so that they could vote, Besigye said planning to overthrow Museveni through elections was futile (AC Vol 60 No 23).

What started as a mild disagreement soon escalated into a full-blown rivalry with Bobi Wine and Besigye supporters attacking each other. Bobi Wine expressed disappointment in Besigye, who stood on the Forum for Democratic Change (FDC) ticket in four elections – 2001, 2006, 2011, and 2016 – and lost all rounds and only now

has pronounced them a waste of time. It did not help that Besigye had in 2013 and 2014 claimed that he would not participate in the elections only to end up doing so in 2016.

Pressure is mounting again ahead of the 2021 elections with many calling on Besigye to make way for the younger man and his People Power movement.

A poll by Research World International recently indicated that if elections were held in March, 46% of voters would pick President Museveni, Bobi Wine would come second with 22%, and Besigye third with 17%. Most of those polled also said Bobi Wine had a better chance of beating Museveni than Besigye. In spite of his dismissal of electoral politics, Besigye has challenged the accuracy of the opinion poll.

YOUNG WINE

Besigye took 35% of the vote in 2016, which makes the possibility of Bobi Wine winning not that remote. Bobi Wine is a practising Catholic, which is the biggest church in Uganda, is a member of the largest ethnic group, the Baganda, and is popular with young people, being only 38 himself and a pop star.

These are huge advantages he has already exploited not only in winning the by-election but in leading a key protest against the government's social media tax and against the removal of the age limit for presidential candidates (AC Vol 59 No 18). He has also campaigned for opposition politicians standing in by-elections in spite of the dangers. He has been severely beaten in detention and his driver was shot dead

by security forces.

Besigye is not the only established opposition politician who has had to face the Bobi Wine challenge. Norbert Mao, the leader of the Democratic Party (DP) and Major General **Mugisha Muntu**, the leader of the newly established Alliance for National Transformation (ANT), which broke away from the FDC, have aggressively courted him but without luck.

Bobi Wine still operates under the banner of the People Power movement, which is not a political party. He wants to be a home for all change-seeking Ugandans, be it those in the ruling party or in the opposition. He has had strong influence on by-elections, often opposing FDC candidates as well as NRM ones, earning a reputation as a kingmaker.

He wants as broad a coalition as possible to back him for the presidency and has called on all those who have tried and failed to depose Museveni to rally round. In July, he unveiled the National Unity Platform, a registered party intended to navigate legal issues that could arise from People Power not being a formal party.

Within weeks of unveiling the NUP, 21 legislators – 16 from the DP, two from the NRM and three independents – signed up. Meanwhile, the FDC has lost four legislators including a former leader of the opposition, to Muntu's ANT. The FDC has two contenders for its presidential nomination, the current party president **Patrick Amuriat Oboi** and the party chairman **Wasswa Birigwa**.

Besigye is thus leaving his options open. He could state that he must, out

of loyalty, back the candidate the FDC picks and cite that as a reason for not backing Bobi Wine. FDC insiders, jealous of Bobi Wine's success, hope that the ruling party will crush his election campaign, leaving Besigye's credentials as the main opposition figure intact. (Besigye believes that he really won the elections he stood in and was cheated by the election authorities, which is why he claims to be undefeated.)

MANOEUVRES

Meanwhile, the NRM has been consolidating. While it has not bribed key supporters of NUP to join its ranks, it has reconciled with a group of legislators that have long acted as an awkward squad in parliament. The NRM is well versed in the tactics of bribing or co-opting its political enemies and routinely uses the resources of the state to its advantage.

One recent NRM gambit was to hold elections for representatives of special interest groups, such as the youth, the elderly, and persons with disabilities, at village level. According to pro-government media, the NRM took 79% of the positions, independents 15% and opposition parties only 6% of the leadership positions. President Museveni's handlers have jumped on these results to claim that they portend heavy defeat for the opposition at the national election, especially the NUP.

These results showed the need for efficient national party organisation from the grass roots upwards, something at which the NRM has long excelled and which has posed major challenges to Besigye. ●

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TANZANIA

A government walkover

Years of restrictions and violence against the opposition make President Magufuli a shoo-in for re-election in October

Tanzania is set for six weeks of phoney election campaigning before, as is widely expected, President **John Pombe Magufuli** secures a second five-year term on 28 October at the general election. A faltering economy, particularly in the administration's first three years, oppressive measures against media and civil society, and restrictions on individual freedoms might in other circumstances have created an opening for a broad opposition to unite against the governing *Chama Cha Mapinduzi* (CCM). That has not happened.

The failure of the country's opposition parties to mount a credible challenge is mainly a reflection of the determination of the CCM to control state and non-state institutions, and its willingness to nakedly flex its muscles to prevent opponents from functioning (AC Vol 61 No 18). The evidence indicates that the CCM's crushing of democratic discourse has driven voters into disengagement rather than into the arms of the opposition. No political pundit believes 'our beloved President Magufuli', as he is increasingly referred to in the media, has a mass following.

It remains to be seen if the state will go as far as it did last year, when the National Electoral Commission (NEC) rejected most opposition candidates on claimed technical grounds, leading to an opposition boycott of the polls.

SLIDING SUPPORT

CCM has known it was under pressure since 2010, when President **Jakaya Kikwete** won a second term with just 63% of the vote on a 42% turnout. President Magufuli took just 58% in 2015, but on a 67% turnout (AC Vol 56 No 22). His early anti-corruption drive boosted his popularity, but by 2018, his satisfaction rating had fallen to 55%. The state's response was to start an inquiry into the citizenship of **Aidan Eyakuze**, the director of *Twaweza*, the NGO that commissioned that opinion poll. His passport was seized and he remains in a form of domestic exile. Since then, the pressure on media, civil society, and individual activists has increased.

The opposition's leading presidential candidate is *Chama Cha Demokrasia na Maendeleo's* (Chadema) **Tundu Lissu** (AC Vol 61 No 15). The narrow survivor

of a September 2017 assassination attempt widely believed to be by government agents, he remained in exile until July (AC Vol 60 No 3). Yet much of Chadema's long-standing agenda has been successfully taken over by President Magufuli, particularly the management of natural resources and the fight against corruption.

The state-backed hollowing out of the Civic United Front (CUF) has left a rump led by perennial presidential candidate **Ibrahim Lipumba** while the bulk of the party in its base of Zanzibar, as well as the mainland, has been incorporated into the Alliance for Change and Transparency-Wazalendo. Previously a vehicle for **Zitto Kabwe** after his departure from Chadema, its position in Zanzibar, where **Seif Shariff Hamad** will contest the Zanzibar presidency under its colours, now makes it significant. ACT-Wazalendo's candidate for the union presidency is **Bernard Membe**, who served the CCM for decades at the centre of the state, first as a national security analyst in State House, then as a member of parliament, and finally as a cabinet minister before he defected (AC Vol 60 No 19).

Both ACT-Wazalendo and Chadema have made the right noises about cooperation, but no plan is in place to make it happen or field a joint presidential candidate, and there is no joint strategy for the parliamentary and district council seats also being contested on polling day. Blame for this disunity could be laid at the principals of the parties themselves – agreement would be needed between just a small number of individuals. It may also be a result of years of harassment by the courts, intelligence services, and police. Court appearances, and case management alone, take time and resources. Recovering from the trauma of an attempted murder, as Lissu is, also drains internal strength.

When combined with the ongoing oppression of media, civil society, and individual expression, this should give CCM a clear run to an increased majority.

The possibility of an opposition united front emerged in 2018 when Catholic, Lutheran, and Muslim leaders issued statements of concern about economic management, and

the weakening of the country's democracy. Since then no influential Tanzanian institution has dared voice such concerns. The suite of NGOs that enjoy international funding for the promotion of democracy and human rights have been particularly targeted. One online news source, Kwanza TV, was suspended by the regulator in July, for the second time in a year (AC Vol 61 No 14). The Tanzania Human Rights Defenders' Coalition had its accounts at CRDB Bank suspended in August following a police order. The NGO itself only learned of the suspension from its creditors. More such moves can be expected.

ZANZIBAR CONTEST

As ever, the tensest element of the election will be the fight for the presidency in Zanzibar. CCM's candidate is **Hussein Ali Mwinyi**, son of former President **Ali Hassan Mwinyi**. A victory for him would see the establishment of a second family dynasty in the isles, after the Karumes, who have also supplied two presidents. The archipelago state suffers from deep historical divisions, and the CCM refuses to share power with the largely Pemba-based opposition. Zanzibar's tensions get aired every five years at election time, but there seems little will to force concessions from CCM by popular action.

Will Tanzania's democracy survive this year's election? Recent years have seen consistent speculation about the dropping of term limits. A CCM majority of two-thirds in both the National Assembly and Zanzibar's House of Representatives would be required, which is quite within reach in the former. For the latter, it would require either an opposition boycott as occurred in the re-run election in March 2016, or the disqualification of opposition candidates, as occurred in last year's local elections (AC Vol 57 Nos 7 & 8).

Politically, though, such a move is unlikely. For the past four years, President Magufuli's nephew **Dotto James** has been controlling public finances as Permanent Secretary at the finance ministry. Family interests aside, this has brought some control to the uncontrolled looting that took place in previous administrations. This should strengthen state and party control over resources and institutions. On the other hand, it will also have closed off access to rents by other factions within the party. Continuation of that would threaten CCM's ability to be a broad church which has successfully brokered common interests between the political, business, and security elites. ●

POINTERS

Zimbabwe

HEAVY RUSSIAN METAL

■ A platinum mine that could be Zimbabwe's biggest is yet again raising the hopes of the leaders of the Zimbabwe African National Union-Patriotic Front (ZANU-PF) although it looks no more likely than on the other occasions it has been about to launch. However, the African Export-Import Bank has completed a due diligence study allowing it to proceed with a \$500 million syndicated loan.

That's a good start but it is hard to see how the project at the Darwendale concession will obtain up to \$2 billion in capital that it would need to start operations by 2023.

President **Emmerson Mnangagwa** has been anxious to reinvigorate interest in the mine ever since he took power in 2018. Zimbabwe has the world's third-largest platinum reserves, and **Russia's** Vi Holding says it could mine 800,000 ounces of platinum per year.

Reserves at Darwendale are estimated at 755 tonnes. It was originally allocated to Ruschrome Mining by President **Robert Mugabe** in 2006 before being taken over by Vi Holding in 2014 after failing to attract financing (AC Vol 54 No 25 & Vol 55 No 14).

But for most of the past decade private investors have been put off by the potential involvement of the Zimbabwean military in the concession. Last year, a series of meetings with South African fund manager Public Investment Corp concluded without any new investment. Zimbabwe Defence Industries Ltd. and Zimbabwe Mining Development Corp together hold 30% of the joint venture Great Dyke Investments. Vi Holding, led by **Vitaliy Machitski**, holds a 50% stake while undisclosed Zimbabwean investors account for the remaining 20%.

Meanwhile, the Mnangagwa government's long-standing disputes with the International Monetary Fund and World Bank and its international debt arrears make it impossible to raise international finance (AC Vol 60 No 6). Although Vi Holding includes the state-owned Rostec Corp, the Russian state probably doesn't have the cash either.

South Sudan

JUBA SHOPS FOR NEW IMAGE

■ The leaders of South Sudan, notorious for its civil war, inconclusive peace deals and corruption, have found \$280,500 to hire a lobbyist to try to persuade the United States government to lift its sanctions on those very leaders. The Ministry of Petroleum signed the deal with AZ Media this month, according to filings under the Foreign Agents Registration Act with

the US Department of Justice. The New York firm is also to 'promote US-South Sudan relations, global understanding of South Sudan economic opportunities and economic development, support for peace, democracy, national security, [and] anti-corruption.'

The US has dramatically expanded its sanctions against South Sudan's leaders and oil sector in recent years, citing serious human rights abuses and widespread corruption (AC Vol 59 No 15). The irony of using oil income to reverse sanctions for abuse of the oil income, the country's only significant export, seems not to have struck home in Juba. In January, the then First Vice-President, **Taban Deng Gai**, joined Minister of Cabinet Affairs **Martin Elia Lomuro** and Minister of Defence and Veteran Affairs **Kuol Manyang Juuk** on the US Treasury's sanctions list. The US Department of Commerce has also maintained export restrictions against 14 companies linked to South Sudan's oil sector, including the national oil-company, Nilepet, since April 2018.

The announcement came just weeks after the country's Central Bank announced it had run out of foreign reserves, leaving it powerless to halt further depreciation of the currency.

In March, the Ministry of Petroleum was forced to postpone plans to tender the rights to 14 new oilfields because of the Covid-19 pandemic, followed by an announcement in August that **China's** National Petroleum Corporation would not renew its participation in some major blocks when its current contract expires in 2027.

Mali

JUNTA NAMES FRONT-MAN

■ The junta has named the 70-year-old former defence minister and retired officer **Bah N'Daw** as transitional president, thus testing to the limit the absolute insistence of the Economic Community of West African States (Ecowas) that a civilian take the role. The junta's colonels will, however, still have a big say in the composition of the interim government after the new head of state's 25 September swearing in (AC Vol 61 No 17).

The Vice-President will be the putschists' leader, Colonel **Assimi Goïta**, for whom the military have proposed extensive powers over the reshaping of the Malian state.

His nominal superior, N'Daw - who as a young officer resigned rather than serve as aide de camp to the then dictator **Moussa Traoré** - is known as a man of high principle. But how much real power he will wield is questionable.

Goïta has shrewdly proffered olive branches to international allies worried about the jihadist threat and the fragility of the northern peace process. In a 22 September speech marking the 60th anniversary of independence he called on

the Malian people 'to support our partners, with the force *Barkhane* [France], Minusma [the UN's *Mission multidimensionnelle intégrée des Nations unies pour la stabilisation au Mali*], the G5 [Sahel] force, the Takuba force [Europe]'

But the junta is not immune to pressure on involving civilians in government. Even the partial sanctions imposed by Ecowas are biting hard.

After chummy consultations at the weekend, the opposition *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP) has held back from firmly endorsing the nomination of N'Daw - leaving Goïta and his colleagues to be held responsible if the next steps fail (AC Vol 61 No 17).

EU/Africa

SUMMIT CATCHES A COLD

■ A European Union/African Union summit planned for October is the latest casualty of the Covid-19 pandemic. Although European Commission officials conceded privately during the summer that a physical meeting between leaders would be impossible as Europe faces up to a second wave of the virus, the AU chair, **South African President Cyril Ramaphosa**, had been keen to hold a virtual summit before the end of the year. Not all African leaders were persuaded though, and a new date in 2021 needs to be set.

In March the European Commission unveiled its 'Towards a comprehensive strategy with Africa' paper, intended to kick-start a six-month consultation process that was supposed to finish with agreement on the new blueprint at the summit (AC Vol 61 No 5). Within days of its publication Covid-19 hit Europe.

Insiders say that African leaders are likely to use the extra time to flesh out their demands for instruments to invest in agriculture, energy infrastructure and domestic manufacturing, reflecting a complaint that existing EU-African trade deals prevent countries from exporting higher-value finished products to Europe.

African diplomats also complain that the EU has offered little financial support during the pandemic and are likely to demand a more targeted instrument than the Commission's proposed Neighbourhood, Development and International Cooperation Instrument, which could provide up to €60 billion in guarantees to stimulate sustainable investments between 2021 and 2027.

Postponing the summit also avoids any embarrassment from the EU's failure to finalise the heavily delayed post-Cotonou Agreement with the African, Caribbean and Pacific community (AC Vol 60 No 24). African governments intend to extract concessions in return for agreeing to re-admit failed economic migrants and taking greater action to prevent migration.

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BLUE LINES

The peace accord between Sudan's transitional government and three armed groups was a serious step forward from the human and economic damage wrought by decades of conflict. Without ending the myriad civil conflicts, Prime Minister Abdalla Hamdok has little hope of relaunching the devastated economy and devolving power to the regions. A settlement with the armed groups, which are due to join the national armed forces, should strengthen Hamdok's hand.

Although two of the main armed groups stayed away, the signing ceremony in Juba on 3 October attracted a galaxy of regional notables, including the Presidents of Ethiopia and Chad, Sahle-Work Zewde and Idris Déby Itno, and the prime ministers of Egypt and Uganda, Mostafa Madbouly and Ruhakana Rugunda, joined by South Sudan's mediator Tut Gatluak and the United States envoy to Sudan and South Sudan, Donald Booth.

Negotiations with the two groups holding out – Abdel Wahid al Nur's Sudan Liberation Movement and Abdelaziz Adam el Hilu's Sudan People's Liberation Movement-North – are to resume this month.

The accord aims to integrate all the armed groups into the national armed forces, which are themselves divided between the army, the Rapid Support Forces militia and the military wing of the security services. The deal offers greater economic and political rights to people in all Sudan's regions and access to a US\$750 million fund for development in the west and the south.

CÔTE D'IVOIRE

Ouattara leads in a perilous poll

The president stands alone against the opposition front, but he is still favourite to win the elections at the end of the month

United in condemnation of Alassane Ouattara's bid for a third term, but failing to present a coherent alternative, the Ivorian opposition has all but written off its chances of preventing a first-round presidential victory on 31 October. At the same time, the opposition front is demanding postponement of the elections, preparing the ground for mass protest at the likely result.

On the final run to a contest with a potential for violent clashes that many *Abidjanais* have been dreading, the rhetoric is getting more confrontational and the choices offered to the voters ever starker (AC Vol 61 No 17). A well-resourced incumbent with a solid, if flawed, track record tours the country inaugurating public projects, while his opponents – both the registered challengers and those excluded from the race by judicial fiat – concentrate on disputing his right to stand at all, rather than promoting a positive alternative agenda.

But by doing this, his opponents risk alienating Ivorian electors, who have bitter memories of the six-month blockade and civil war that followed Laurent Gbagbo's refusal to acknowledge his United Nations-certified defeat in the 2010 contest. Fears of a repeat of such tension and violence are baked into the psyche of many Ivorians.

There are also uneasy parallels with elections in 2000 held by junta leader Robert Guéi that excluded Ouattara and Henri Konan Bédié, the President ousted the previous year. The clashes over those elections which were won by Gbagbo, the

only opposition leader allowed to contest, led to the outbreak of civil war in 2002.

All the players from two decades ago are still on the stage, except for Guéi, killed in the early hours of the civil war. This year it is going to be a tall order for the 86-year-old Bédié to take on the 78-year-old Ouattara by fronting a campaign in the name of change, while supported from exile by Gbagbo and former parliamentary speaker **Guillaume Soro**, both shut out of the race.

Political tensions are compounded by the impact of Covid-19, which has brought a dramatic slump in hitherto buoyant economic growth. For many urban households, the health risks of the pandemic are compounded by the sheer difficulty of securing enough work and income to put food on the table.

INSIDE TRACK

The president has all the usual advantages of incumbency. He has been touring the country inaugurating roads and rural electrification projects, and recently hiked the producer price paid to cocoa farmers. And his *Rassemblement des Houphouëtistes pour la démocratie et la paix* (RHDP) is well resourced, with a broad base. He could well benefit from his measured statesmanlike style, and his administration's fairly competent handling of the pandemic. But resentment persists at his U-turn on the retirement he had promised in March.

Many Ivorians are angered by the manner in which the president has pushed the legal limits – on the grounds of a new constitution introduced in 2016 – to

MALI	3	NIGERIA	4	SOUTH AFRICA	6	SOUTH AFRICA	7	ETHIOPIA	8
Colonels concede – but not much		How to make oil pay		Private capital, green shoots		This time, it's personal		AFRICA/COVID-19	9
While many in the discredited political class plot a return, the military has retained the upper hand		After 20 years of lobbying, a bill to reform the country's energy industry is being pushed through		Worsening power cuts and probes into corruption in the state utility have forced a policy shift		A spate of arrests of officials on corruption charges is leading to the door of Ace Magashule		ALGERIA	10
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restart the two-term limit clock and stand for a third successive mandate after the sudden death in July of his chosen successor candidate, **Amadou Gon Coulibaly** (AC Vol 61 No 15).

His March announcement that it was time to make way for a new political generation had been met with almost universal public applause – and widespread relief. It raised hopes that the departure of one veteran political *éléphant* might open the path to wider generational change and help the country to move on from a succession of crises from the mid-1990s until Ouattara's accession to office in 2011.

But disillusion crept back as it soon became clear that his government envisaged a very one-sided renewal.

Obscure decade-old corruption charges were mobilised to render the smooth-talking Soro, with his fast-growing youth support, legally ineligible. And it gradually became clear that no early return home would be permitted for Gbagbo either, even though the International Criminal Court – where he remains the subject of a prosecution appeal against his

OUATTARA'S DIPLOMATIC HEADACHES

So often, **Alassane Ouattara** has been at the heart of regional diplomatic efforts to manage other countries' crises. This time it is Côte d'Ivoire that is the focus of international concern.

A team from the Economic Community of West African States led by Ghanaian foreign minister, **Shirley Ayorkor Botchwey**, has been in Abidjan this week, on self-proclaimed 'preventive diplomacy'.

They were accompanied by the United Nations special representative to West Africa, **Mohamed Ibn Chambas**, who on his previous good offices visit had secured the release of nine senior figures from the Soro political machine who had been held on remand since last December; four more were freed afterwards. But such gestures are not enough to placate opponents demanding a postponement of the election that the government refuses to contemplate.

And it is not only the region that is worried.

President **Emmanuel Macron** had welcomed Ouattara to the Elysée for lunch on 4 September, but his officials publicly stated that **France** remained firmly of the view that the Ivorian head of state should have stuck to his retirement plan and left the RHDP to choose a new succession candidate after **Amadou Gon Coulibaly's** death.

The Ivorian tensions are a headache for Paris. Côte d'Ivoire is a key ally and trade market, and Ouattara himself has been a trusted strategic support – in marked contrast to **Laurent Gbagbo**, whose indulgence of populist nationalism stirred deep unease for successive French governments.

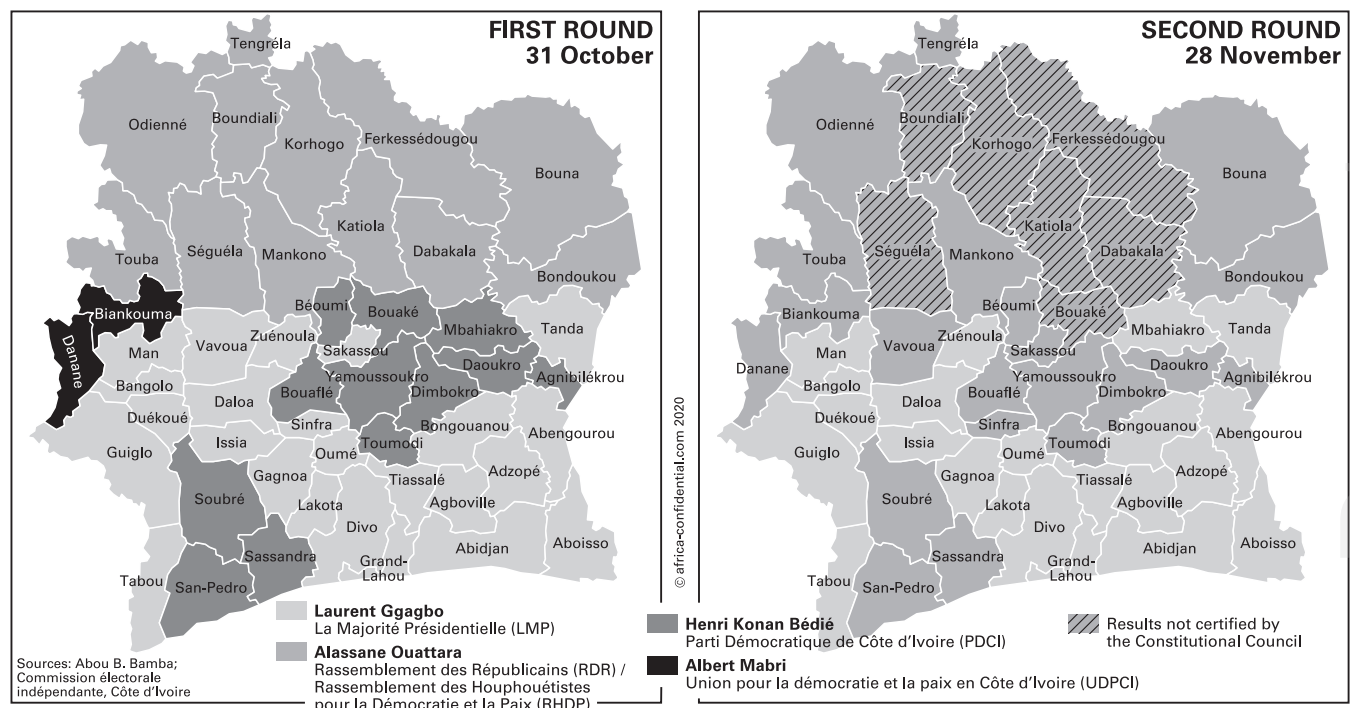
Yet now Côte d'Ivoire has embarked upon a political path that France feels unable to publicly defend, however much it may be wary of the alternatives. A measure of the Macron government's deep concern was the rapid appointment of **Jean-Christophe Belliard**, one of the Quai d'Orsay's most senior and experienced Africa specialists, as ambassador in Abidjan. The previous envoy and former senior military officer, **Gilles Huberson**, was recalled to Paris after being accused of sexual harassment by a staffer in the embassy.

Prior to a stint as deputy head of the European External Action Service, the EU diplomatic machine, Belliard was Africa director at the Quai, after serving as ambassador in **Madagascar** and **Ethiopia**. ●

acquittal on human rights charges – had cleared him for travel (AC Vol 60 No 4).

It was rumoured that the threat of financial or tax probes hung over **Thierry Tanoh** and **Jean-Louis Billon**, the most likely younger alternatives to

Bédié as candidate for the opposition *Parti démocratique de la Côte d'Ivoire* (PDCI). But in any case, it soon became clear that Bédié – ousted from the presidency in a 1999 military putsch – was determined to seek his personal vindication at the ballot box one more

GEOGRAPHIC DISTRIBUTION OF VOTING IN CÔTE D'IVOIRE'S 2010 PRESIDENTIAL ELECTION

time. So generational change was off the menu in the PDCI too.

A major criticism of Ouattara's term was the overwhelming focus on rejuvenating Abidjan's economy and infrastructure, with spin-off prosperity benefits for the elite, while many rural communities felt less impact. Over the past two years he has tried to rebalance that with a bigger focus on basic development. That now promises to generate a political pay-off, especially in the rural north, the heartland of his support, where opposition candidates are unlikely to make any serious campaigning effort.

HOME ADVANTAGE

The vote is likely to be heavily based on geographically concentrated support, just as happened back in 2010 (see map). The 2015 contest, with Gbagbo in ICC custody and Bédié supporting Ouattara, is less useful as a guide.

Bédié will be heavily reliant on the votes of his Baoulé heartland in the centre of the country, while **Pascal Affi N'Guessan** – candidate of the legally registered strand of Gbagbo's *Front*

Populaire Ivoirien – will draw support from the south-west. All contenders can tap into significant wells of support in various districts of the sprawling Abidjan conurbation, with its 8 million or so inhabitants, but Bédié could lose some of the younger PDCI electorate to his party's occasional dissident **Kouadio Konan Bertin**, now running as an independent.

Ouattara's opponents appear to have given up any serious hope of even taking the race to a run-off ballot in which they could unite around a single standard-bearer, arguing that the contest is certain to be unfair and manipulated. Ever since the publication in August of the final list of 7.5 million registered electors – 13.7% more than at the previous revision of the roll – they have been accusing the electoral commission of bias and demanding an audit of the register and the dissolution of both the commission and the Constitutional Council.

Bédié has called for civil disobedience, while N'Guessan has pulled the FPI out of the electoral commission, to leave only one of the

four opposition seats occupied. From exile, Soro has insisted opponents will be organised in challenging the legitimacy of Ouattara's third term.

'The opposition's best chance may lie in its ability to form a common front against President Ouattara. Admittedly, he stands alone in the country – but he has a real capacity to mobilise,' **Flan Moquet César**, director of the *Centre de recherche politique d'Abidjan*, told *Africa Confidential*.

'We now wait to see whether the Ivorian opposition, in its plural diversity, can pull this off. If it can't manage to do so, then Ouattara's candidacy will be all the stronger. On the ground, he has already taken the lead. The cadres of the RHDP have been mobilising their base.'

RALLY TEST

A key test for the opposition comes on Saturday 10 October, when it hopes to hold a rally in Abidjan's biggest stadium, or on the streets if permission for an event inside is denied. Turnout for its debut joint campaign event was disappointing, so much hangs on this next public show of strength. ●

MALI

Colonels concede – but not much

While many in the discredited political class plot a return to centre stage, the military has retained the upper hand after ousting President Keita

Delegates from West Africa and beyond have been flying in and out of Bamako for weeks to impress their priorities and concerns upon the junta (the *Comité national pour le Salut du Peuple* – CNSP). Rounds of tough-sounding talks resulted in the lifting on 5 October of regional sanctions on the country's military-dominated transitional government.

Most prominent among the visitors was **Nigeria's** former president **Goodluck Jonathan**, the mediator dispatched by the Economic Community of West African States. Jonathan's job was to steer a course between Ecowas's opposition to the 18 August coup and a junta unwilling to cave in to Ecowas threats and sanctions.

The CNSP scored an early victory, when Ecowas dropped its demand to have the ousted president **Ibrahim Boubacar Keita** (IBK) returned to power post-haste. Keita remains in the **United Arab Emirates**, recovering from a mild stroke he suffered in the aftermath of the coup. Since then the junta has been giving in to some Ecowas demands while refusing others. So it was 'yes'

to the publication of the Transitional Charter that was negotiated with Mali's political class in September, 'yes' (in some form) to the demand to have a civilian head the transition, but 'no' (so far at least) to releasing those arrested during the coup (including former Prime Minister **Boubou Cissé**) and 'no' to the dissolution of the CNSP.

The Transitional Charter that was finally published in its definitive form on 1 October has raised a few eyebrows. Signed by junta leader Colonel **Assimi Goïta** alone, it insists that IBK resigned, demands immunity for those involved in the 18 August coup and states that in case of contradictions between the 1992 Constitution and the Charter, the latter takes precedence.

COMPROMISE

Manoeuvring between Ecowas's strident demands and those of the mass opposition *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP), the CNSP came up with retired officer and former Defence Minister **Bah N'Daw** as President of the Transition and gave their own

leader **Goïta** the job of Vice-President, responsible for defence and security (AC Vol 61 No 19).

But in another concession to Ecowas, the clause that the Vice-President could replace the President of the Transition in case of a vacancy has disappeared from the Charter. That move evidently helped secure the lifting of Ecowas sanctions, a source of rancour among Malians.

On 27 September, the junta named **Moctar Ouane** Prime Minister. Like N'Daw, Ouane is an experienced hand, having served as foreign minister under ex-president **Amadou Toumani Touré**, himself ousted in a coup in 2012. Also significant is the appointment of career bureaucrat and magistrate **Sékou Traoré** to be Secretary-General to the Presidency.

There are rumblings among the transitional trio (N'Daw, Goïta, Ouane). They came together for a first meeting on 28 September to discuss the priorities of the transition but we hear reports suggesting that Ouane and Goïta disagreed sharply on who should fill which ministerial post; some sources suggested that Ouane had threatened to resign if all of his suggestions were ignored.

These wranglings are the reason why it was not until 4 October that Malians and Ecowas learnt who would be in the transitional government, whose tenure the CNSP agreed to reduce from three years to 18 months. There are to be 25 ministers, of whom four will be from the military:

GETTING BY WITH A LITTLE HELP FROM THEIR FRIENDS

Mali's traditional partners stressed the importance of continuity. Vice-President **Assimi Goïta** follows the same track, saying the fight against terrorism remains top priority and the UN's *Mission multidimensionnelle intégrée des Nations unies pour la stabilisation au Mali*, the **French Opération Barkhane**, the regional G5 Sahel Force, and even the embryonic European operation *Takuba*, remain Mali's main partners in this. As the opposition *Mouvement du 5 Juin-Rassemblement des forces patriotiques* (M5-RFP) is already unhappy about its marginalisation in the transition, these pledges will exacerbate its frustrations. It had campaigned on an anti-Paris platform and regarded **Ibrahim Boubacar Keïta** (IBK) and his entourage as protectors of French interests.

France has expressed confidence in the transition but keeps a low profile, while the **United States** has sent its West Africa representative **Peter Pham** to Bamako with a message of support. **Algeria** made sure its scrupulously courteous ambassador **Boualem Chebihi** was among the first to hail the transition now set in motion, and **Morocco** sent its Foreign Minister **Nasser Bourita** to Bamako with a similar message: he argued that this transitional government, even in its current incomplete state, is something Rabat can work with.

Meanwhile, fresh reports have been emerging about the whereabouts of IBK's son, **Karim Keïta**, first assumed to be in military custody. Keïta Junior's luxury lifestyle and accusations of corrupt practices in his role as president of the Defence Committee of the now dissolved *Assemblée Générale* greatly irritated Malians. He managed to get himself out of the country, and was assumed to be in Conakry, **Guinea**. However, he is now, according to social media reports, 'sipping champagne in Abidjan'.

The presidents of **Guinea** and **Côte d'Ivoire**, **Alpha Condé** and **Alassane Ouattara**, have been most vociferous in their hard line against Mali (AC Vol 61 No 17). They will not have taken kindly to remarks made by their counterpart from **Guinea Bissau**, President **Úmaro Sissoco Embaló**, the only Ecowas head of state to go to Bamako for N'Daw's inauguration on 25 September. He lampooned the holier-than-thou stance of his two colleagues, saying that it was a bit rich to have two presidents defending Mali's constitution while having little or no respect for the same principles back home. ●

Col **Sadio Camara**, Minister of Defence; Lt-Col **Abdoulaye Maïga**, Territorial Administration and Decentralisation; Col-Major **Ismaël Wagué** (the junta spokesman) as Minister for National Reconciliation; and Col **Modibo Koné** for Security and Civil Protection. The key civilian ministers are: **Zeyni Moulaye**, Foreign Affairs (he was ambassador to **Saudi Arabia**); **Alfousseyni Sanou** for Economy and Finance; **Lamine Seydou Traoré** on Mines, Energy and Water; and **Mohamed Coulibaly**, in the innovatively named ministry for the Refoundation of the State.

M5-RFP is unhappy about this turn of events because it has been shut out of the top jobs in the new government and gets no recognition from the CNSP of its role in bringing down IBK.

At least 14 politicians from the opposition were angling for the

position of Prime Minister, including former Education Minister **Mountaga Tall**. Other wannabes included **Issa Kaou N'Djim** (a prominent M5-RFP spokesman from the ranks of imam **Mahmoud Dicko**), the celebrated filmmaker and politician **Cheick Oumar Sissoko** and a host of other politicians eager to reinvent themselves as opposition activists.

The CNSP was having none of it, instead choosing veterans whose track record goes back to before the changes of 1991 that brought down **Moussa Traoré** (he died on 15 September this year) and put the likes of IBK and Tall into the political limelight. In fact, the CNSP never made any commitments towards fulfilling the M5-RFP's agenda, which did not go much beyond the demand that IBK had to leave. After that, the movement lacked

direction and could not agree on a single candidate for the key post of Prime Minister. As a consequence, the CNSP holds the initiative.

Security in many parts of the country remains threadbare. Armed groups belonging to the self-declared jihadist movements, self-defence groups or rebel armies move around at will in northern and central Mali. But the problem continues to spread.

On 11 September, a Red Cross ambulance hit an improvised explosive device in southern Mali near **Burkina Faso**, killing six female occupants. This suggests more terror attacks in a region that had been cleared by the Malian army (AC Vol 61 No 14). The transitional trio will be judged above all on its ability to restore a sense of security to Mali, as the putschists had promised. ●

NIGERIA

How to make oil pay

After 20 years of lobbying, a bill to reform the country's energy industry is being pushed through the National Assembly — with a good chance of success

There has been consensus in the country on two things since the return to civil rule in 1999: the management of oil and gas, which dominates the export economy, is deeply flawed; and there is no agreement on how to reform it. As the country faces its worst recession for 40 years, the government looks determined to change how the oil industry works and

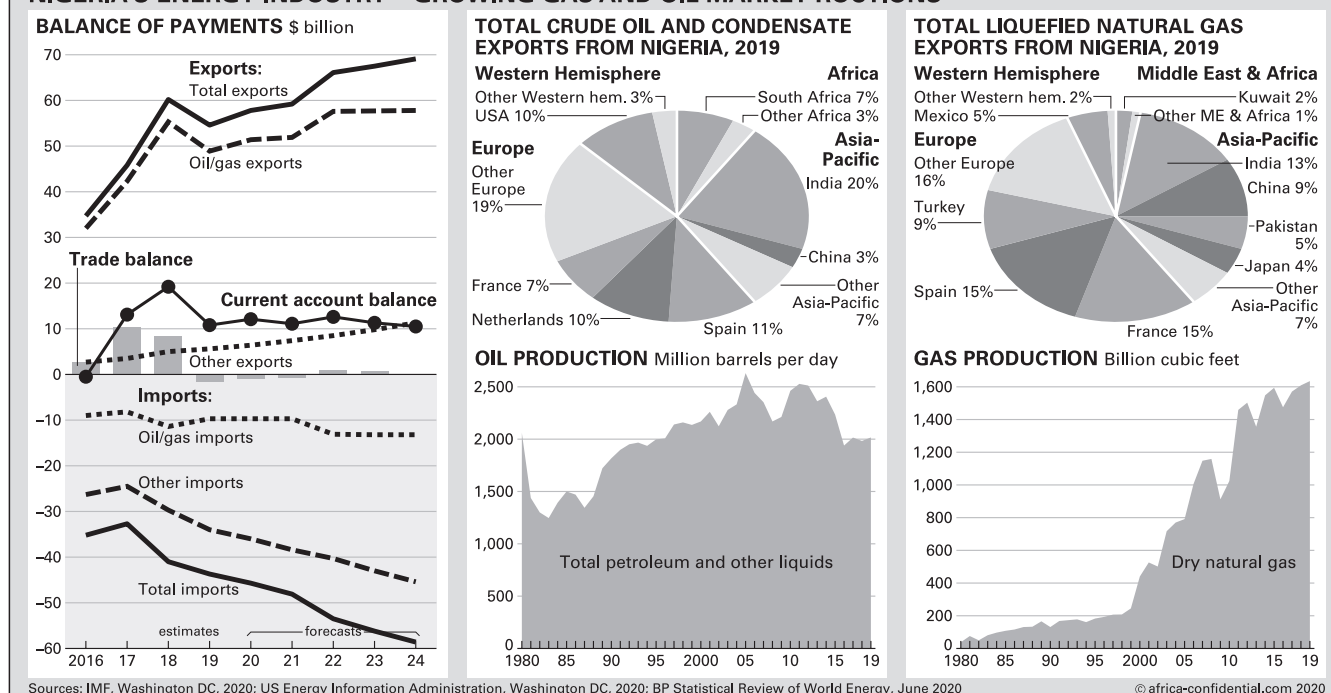
get more revenue from it.

On 30 September, the Senate passed a new incarnation of the Petroleum Industry Bill (PIB), a 239-page blueprint for industry renewal, opening the way for its scrutiny by legislators and passage into law. The Bill, backed by President **Muhammadu Buhari**, does not become a public document until parliamentary hearings later this year.

But well-sourced leaks suggest this time there is a far more concerted attempt by the government to move forward an industry that has been constrained by political interference, insecurity and environmental hazard. The biggest structural changes in the new Bill are the separation of powers between a ministry responsible for policy, independent regulators, and a new national oil company to operate on a commercial basis.

The Bill is being shepherded by **Mele Kyari**, the Group Managing Director of the Nigerian National Petroleum Corporation (NNPC), who has been chairing the reform project since July 2019 with political support from **Timipre Sylva**, the Minister of State for Petroleum Resources and a former Governor of Bayelsa state in the Delta.

NIGERIA'S ENERGY INDUSTRY – GROWING GAS AND OIL MARKET RUPTIONS



While promising a shake-up of the structures underpinning Nigeria's oil industry, the Bill does not go as far as the National Economic Council (NEC), which advises Buhari, had recommended in a confidential report in March (AC Vol 61 No 15). That report recommended limiting what the NNPC can retain before remitting funds to the government (at least 50%, rather than the 30% average, should be handed over, it said). The NEC also recommended the abolition of the NNPC's 'domestic crude allocation', under which it can purchase 445,000 barrels of oil a day at a discount – an open-ticket for corrupt trading deals.

STREAMLINED

The new PIB is nevertheless wide-ranging and will help simplify an industry governed by a palimpsest of legislation. The Bill is a single piece of legislation in two parts: administration and governance; and fiscal terms. This replaces a portfolio of laws passed since the 1950s, which in many cases are out of date given changes in the market and technology, and in several areas conflict with one another.

Drafts of the Bill in 2008 and 2012 spiralled out of control in length and complexity, and did not even make it to the legislature. In 2018, the Senate tried to break the legislation into four parts, but the first element, error strewn and poorly drafted, fell at the first hurdle.

The NNPC's status would shift under the Bill from a statutory corporation to a regulated company, meaning it would face increased requirements for

disclosure, including annual audits and reports.

Instead of being financed from the federal budget, the new company would seek financing from capital markets, which could further limit the potential for political interference. What the Bill does not provide for is privatisation, which in other sectors has amounted to little more than state-sponsored and discounted asset-stripping.

Advocates of the Bill say it allows the NNPC to operate with a clean slate. In the past, however, outstanding liabilities, variously estimated and guessed at up to several trillion naira, have been the elephant in the room of the entire reform exercise.

Buhari, who is also the Minister of Petroleum Resources, wanted a Bill that not only provided improved accountability and transparency at the NNPC, but also led to greater investment and support for host communities.

The PIB addresses the big picture, but the challenge will be in its implementation. There is no defined timetable for how quickly these changes would be made in the state oil company's operations. In theory, the separation of powers in the bill would significantly limit the scope of powers notoriously exercised by oil ministers such as **Diezani Allison Madueke** and **Dan Etete**, who have been targeted by international investigations into corrupt deals over oil blocks and trading arrangements (AC Vol 60 No 10).

International oil companies are said to be unhappy over the new fiscal terms outlined in the Bill and are lobbying

that more attractive terms are needed to encourage significant new investment. The new terms will apply to all future investments.

The Bill will also, according to a senior oil industry lawyer, offer companies the chance to convert their existing licences to the new fiscal terms being offered but they can do so only if they agree to waive all their legal actions against the NNPC over serial tax disputes.

Some of the biggest financial variables, however, have been over the cost of oil industry services, which in Nigeria have been excessive and opaque due to collusion between companies and state officials.

Officials close to the drafting process say the Bill anticipates declining exports of oil and gas in the face of new technologies, the shift towards renewables and increased competition from rival producers. It creates new incentives and opportunities to refine products within Nigeria and provide gas for the domestic power market.

The success of such measures is likely to rest on the dense detail of midstream regulations contained in the draft and the extent to which they encourage investment in the architecture of refineries, pipelines and processing facilities required to build the domestic market for oil and gas products.

The draft before the National Assembly also proposes a new form of partnership between operators and communities to promote development in oil-producing regions that limits the role of government. But officials acknowledge it is hard to legislate

for a genuine new deal for the Niger Delta without the engagement of all stakeholders (AC Vol 61 No 13).

The government is confident the Bill is in good enough shape to be quickly passed by lawmakers. The National Assembly has been more aligned with

the executive since 2019. But the announcement on 7 October by **Timi Sylva** that the assembly would shelve debate until next year may provide an opportunity for vested interests to try to dilute, delay or even destroy the bill.

But the transition to the new

structure will require careful management and could take another two years – a period during which the deep sores of the Niger Delta and a crippling downturn in the oil market will make turning the industry around a Herculean task. ●

SOUTH AFRICA

Private capital, green shoots

A combination of worsening power cuts and investigations into grand corruption in the state utility and its suppliers has forced a policy shift

The government is finally backing a plan that will open the state power utility Eskom to private investors, putting the energy sector at the core of the country's economic recovery plan and hastening the dismantling of the failing company.

Winding up a weekend retreat of the African National Congress (ANC) National Executive Committee that focused on how to revive the economy, President **Cyril Ramaphosa** insisted on reform of the energy sector, which would be the key driver of the strategy for reconstruction and recovery.

'It will require large-scale off-budget investment in the energy sector,' the president said.

NEW OFFERING

The first sign of this shift came on 25 September when Energy Minister **Gwede Mantashe**, hitherto seen as delaying moves towards privatisation and joint ventures, published the terms of a new offering in the government gazette (AC Vol 61 No 13).

It gives the green light for an additional 14,000 megawatts to be installed by 2024. Eskom currently has a maximum output of 30,000 MW and is reliant on intermittent power outages for maintenance of its ageing plants. Mantashe had been opposed to more private-sector involvement and the expansion of renewable energy projects due to resistance from trade unions and the coal lobby.

But after a near catastrophic episode in December 2019, when drastic (stage six) power cuts were imposed following the failure of a power plant which took the country dangerously close to the reserve and failure of the entire system, Mantashe referred the incident to the National Energy Regulator of South Africa, which in turn led to the 25 September gazette notice.

Independent power producers will now be able to bid for contracts to supply

a total of 11,813 MW of electricity, mainly from renewables, to be fed onto the national grid to help reduce power cuts – known as load-shedding – and support the grid while essential and overdue maintenance is carried out.

The move has been welcomed by a business community frustrated by the slow pace of reform, policy uncertainty and the government's apparent lack of capacity to implement.

'Finally we are at the point where the independent power producers can go ahead and begin the procurement process,' said **Busisiwe Mavuso**, chief executive of Business Leadership South Africa (BLSA), an association of 150 of the country's top businesses. She said that a real opportunity had arisen for infrastructural investment and the creation of a thriving industry based on renewable energy.

'This sector could become an economic champion for South Africa,' Mavuso said. The winners will be the private sector, in particular independent power producers and mining companies and big industries that have been subject to electricity rationing. Other winners will be the renewable energy sector – solar industries in particular – as well as banks and financial and related service industries.

Tenders for producing 6,000 MW in renewable energy since 2011 have generated some 200 billion rand (\$12 bn) in investment. Losers will be the trade unions, Eskom employees and the 'tenderpreneur' faction in government.

The timeline for the new plan requires bid documents to be submitted by December while selection of bidders, raising of capital and finalisation of contracts are to take place during the course of next year. Construction is set to begin in 2022 and the additional energy will flow in 2023.

The implementation of these projects and public-private partnerships

is a vital phase of the government's Integrated Resource Plan (IRP), which includes the creation of 30,000 MW by 2030 – 70% renewables – and gradual phasing out of coal (AC Vol 60 No 20).

Electricity supply has been interrupted by the lack of maintenance, chronic delays with the construction of two new coal-fired stations, and a decade of looting under **Jacob Zuma's** government, many of whose key members face investigation.

According to the IRP, a further 2,000 MW of electricity – approved in July – will be produced by converting old coal-fired stations to gas, which will enable the electricity to be switched off and on to regulate and stabilise the supply. The IRP provides a road map to clean energy which involves the decommissioning of 11,000 MW of coal-fired power by 2030 and a further 24,000 MW after 2030.

The construction of two coal-fired power stations, Medupi and Kusile, suffered huge price escalation, miscalculations and severe delays. Medupi is due to go online in March 2021 and Kusile in 2023, generating an additional 9,500 MW between them. Their longer-term future is in doubt after the government's policy shift.

The planned power cuts are due to continue until March 2022 while extensive maintenance is carried out on all existing stations after decades of neglect and corruption.

Analysts said the power outages could be ended earlier if government was able to cut red tape that requires independent power producers wanting an output of more than 1 MW to undergo a cumbersome licensing process.

REFORM DRIVE

The key player in the electricity reform is **Andre de Ruyter**, the Afrikaner named in November by Ramaphosa as Eskom's 11th chief executive in ten years (AC Vol 60 No 24). Despite protests by the opposition Economic Freedom Fighters that his appointment was 'anti-transformation and racist', De Ruyter is winning praise from industry for his gradualist approach.

Ramaphosa is expected to proceed next year with the break-up of Eskom into three units: generation, transmission and distribution. The

private sector will compete for contracts to run generation and distribution but transmission will remain in state hands.

The break-up of the once-untouchable state monopoly has been fiercely resisted by trade unions and their allies in the ANC and the South African Communist Party, which supported Ramaphosa in his bid for the party leadership in 2017.

Eskom's massive debt, which rose to R488 billion (\$30bn) in the past year circumscribes its financing options.

De Ruyter has a plan to escape the debt-trap by cutting reliance on fossil fuels such as coal and launching a faster transition to renewable energy. He envisages Eskom power plants being converted into gas-fired power stations with solar power stations on adjacent land.

De Ruyter wants to use the facilities offered by international development institutions, governments and banks to trade debt for green energy by offering more favourable financing terms for a switch to renewables.

'It is now clear that Eskom's debt can be resolved by transitioning to a green economy,' said economist and political analyst **JP Landman**, who has authored several reviews of government's energy policy implementation. He said a target date for building a stronger balance sheet for greener power and restructuring debt is the next global climate change conference in Glasgow in November 2021.

Mavuso of BLSA said the early rounds of renewable energy tenders had produced several firms that have become globally active in energy

projects which demonstrated the potential of the procurement process to spawn 'a major new export sector' for South Africa.

LONG ROAD

The move to cleaner energy is a central part of South Africa's IRP, but analysts say the pace has been painfully slow. However, they point to Ramaphosa's achievements in getting the break-up of Eskom and incremental privatisation past the trade unions shortly after he became President in 2018.

'If one is looking for strong political will and decisions on the economy then the energy sector is just that,' said Landman. 'The fact that these decisions have been spread over two-and-a-half years does not make them any less real. ●

SOUTH AFRICA

This time, it's personal

A spate of arrests of officials on corruption charges is leading to the door of Ace Magashule, Secretary-General of the ruling party

Within weeks **Cyril Ramaphosa** will face his toughest battle as President as he tests his authority against the second-most-powerful politician in the country, African National Congress (ANC) Secretary-General **Ace Magashule** (AC Vol 61 No 18).

Insiders say it is no longer a case of whether Magashule is charged with corruption-related crimes but rather when the arrest warrant will be served.

As an elected official, Magashule can be removed only if he is 'recalled' by the ruling party or convicted in a court of law.

The case against him and other officials is being assembled by the anti-corruption Special Investigating Unit, and 17 arrests have been made in the past two weeks by the Directorate for Priority Crime Investigations, known as the Hawks.

Magashule has repeatedly said he will not stand down if charged with corruption; Ramaphosa drew a clear 'line in the sand' at an ANC executive meeting last month, insisting that party members charged with corruption would have to stand back from positions in party or government.

'Ace has gone rogue,' said a party insider. 'He is now banking on political support to stay out of jail rather than trying to hang on to his dwindling political power.'

The serial corruption and money-laundering by politically connected business people such as the Gupta brothers and the late Bosasa boss **Gavin Watson**, saw an estimated 1.5 trillion rand (\$90bn) looted from state funds by overpriced state tenders and kickbacks during the nine years of **Jacob Zuma's** presidency (AC Vol 59 No 2, Vol 60 No 18 & Vol 61 No 1).

More recently, some R2bn was paid to unlicensed vendors in a frenzy of graft by party officials and family members relating to tenders for the supply of face masks and other protective equipment during the Covid-19 pandemic (AC Vol 61 Nos 16 & 17). That scandal appears to have pushed Ramaphosa into firm action against corruption.

TURNING POINT

Civil society and the public have grown impatient with the slow progress of the government and the National Prosecuting Authority (NPA) in acting against the ringleaders of state capture. Indeed, some of them still hold senior positions in government and the ANC, although many have been removed from their positions and will face prosecution.

'It is clear that Ramaphosa has now drawn a line and the law enforcement agencies have made their move. This could be the turning point for the ANC and the country,' one analyst said.

The recent move to empower the NPA by allowing evidence from the State Capture Commission, headed by deputy Chief Justice **Raymond Zondo**, to build cases against corrupt officials has helped to compensate for the weakened capacity of the NPA during the Zuma presidency (AC Vol 61 No 18).

Magashule made a pre-emptive strike on 6 October, telling the anti-Ramaphosa Independent Media group of publisher **Iqbal Survé** that he was aware his arrest was imminent. The report was immediately denied by Hawks spokesman Brigadier **Hangwani Mulaudzi** on Twitter and in a statement.

The report coincided with an illegal protest by the anti-Ramaphosa group known as the Radical Economic Transformation faction which surged onto the concourse of OR Tambo airport in Johannesburg, in defiance of security and social-distancing rules, dancing and shouting slogans in defence of Magashule. The group's banners and outfits were all in the colours and insignia of the ANC.

The appearance of the report on the IOL news website, which was intended to mobilise public opinion against Magashule's arrest, was the work of **Sifiso Mahlangu**, editor of the *Star* newspaper, who formerly worked for the Gupta brothers' now-defunct TV channel, ANN7. IOL and ANN7 are seen by media analysts as mouthpieces for Zuma and his allies and are hostile towards Ramaphosa in both reporting and comment.

Seven senior ANC officials arrested by the Hawks last month for alleged involvement in a R255m asbestos audit fraud were closely connected to Magashule, who was heavily implicated in several fraud and money-laundering cases while premier of Free State

province from 2009 to 2018.

The case most likely to lead to charges against him is the R220m Estina Dairy money-laundering case, which was exposed by journalist **Pieter-Louis Myburgh** in his book *Gangster State*. *Africa Confidential* understands that Justice Minister **Ronald Lamola**, a former head of the ANC Youth League, has been instrumental in pushing for prosecution of corrupt officials.

Vincent Smith, an ANC MP from Free State who is close to Magashule, said he would cooperate with police after he was charged.

Other senior Free State officials arrested include: **Edwin Sodi**, charged with paying kickbacks to Cabinet ministers and the ANC; **Nthimotse 'Tim' Mokhesi**, head of the human settlements (housing) department; **Thabane Zulu**, director-general of the national housing department; **Sarah Mlamleli**, former Mangaung Mayor; **John Matlakala**, also from the housing department; **Abel Manyeki**, a Pretoria

businessman and **Sello Radebe**, a Johannesburg businessman.

Angelo Agrizzi, the whistle-blower in the Bosasa case, which alleges hundreds of millions was paid to ANC officials in return for lucrative government prisons contracts, was arrested and charged after spilling the beans on Watson's corrupt empire.

In KwaZulu-Natal province, businessman **Thoshan Panday**, connected to the Zuma family, and police Colonel **Navin Madhoe** were arrested in connection with fraud and corruption involving police accommodation and procurement. Former KZN Police Chief **Mmamonye Ngobeni** gave herself up to police and Captain **Aswin Narainpershad** was arrested on similar corruption charges.

There were several arrests in relation to tender fixing for stadiums for the 2010 World Cup. Former eThekweni (Durban) Mayor **Zandile Gumede** is being investigated for fraud relating to waste reprocessing, while

her colleague in the KZN legislature, **Mike Mabuyakhulu**, is also under investigation.

Former Minister and ANC executive member **Nomvula Mokonyane**, former State Security Minister **Bongani Bongo** and former Mineral Resources Minister **Mosebenzi Zwane** could be charged next.

The arrests were made days before the deadline set by National Director of Public Prosecutions **Shamila Batohi** to reassure the public that the authorities were working round the clock to apprehend the perpetrators of corruption.

Further arrests in the Estina Dairy fraud and a major banking scandal at the VBS Bank in the northern provinces are expected in coming weeks.

NPA officials have made it clear there is much more to come in the long-awaited crackdown on corruption. 'There is no turning back for Ramaphosa now,' said the ANC insider. 'He will stand or fall with this campaign.' ●

ETHIOPIA

Tigray takes on the centre

The northern province's ruling council lays down the gauntlet with its refusal to recognise the Addis Ababa government

After running an election for Tigray's State Council in defiance of federal authority last month, which the Tigray People's Liberation Front (TPLF) won by a landslide, the party's latest gambit is to state that it no longer recognises Prime Minister **Abiy Ahmed's** government. It insists that the government's term expired on 5 October, despite a parliamentary vote to elongate its tenure. The TPLF says it will not be participating in the federal and regional parliamentary elections which have been postponed to next year (AC Vol 61 No 6).

Almost as soon as Abiy had taken power in April 2018, Tigray region's formerly all-powerful ruling TPLF was accused by its many opponents of trying to destabilise the Addis Ababa government by sponsoring malcontents across the federation it had hitherto dominated (AC Vol 59 No 11).

While no evidence has been produced that the TPLF has been behind any of the protests, assassinations, rebellions, and inter-communal violence that have marred Abiy's rule, there are increasingly clear signs that Tigray's leaders are intent on pushing his federal government to the wall.

A showdown that has been brewing ever since the 2018 leadership change and the TPLF's subsequent loss of federal power, intensified in June when, after a process of constitutional interpretation of contested legitimacy, both houses of parliament extended the federal and regional governments' terms citing the need to delay election plans due to Covid-19.

The TPLF, which had already been accusing Abiy of undermining the constitution as part of his alleged scheme to dismantle the multinational federation the party ushered in a quarter of a century ago, balked, saying it would go ahead with regional elections anyway.

While the TPLF cited self-determination clauses of the constitution to justify that move, federal institutions pointed to the section that said only the National Electoral Board could administer polls, and that the autonomous regional vote was therefore unlawful.

With Addis Ababa classifying the newly re-elected TPLF government in Tigray as illegitimate, so paving the legal path to military intervention or cuts to the federal budget transfers to

the region, the TPLF is now about to return the favour, and has gone as far as saying it will not recognise any new federal proclamations, directives or regulations post-10 October (AC Vol 61 No 18).

It is far from clear how this is in Tigray's interests, nor what the peaceful way out is.

Abiy initially struck an aggressive pose on Tigray's election plan but recanted as it became a reality, saying that under no circumstances would federal troops intervene, and nor would Tigrayans suffer by the federal government cutting the transfers that fund half of Tigray's public spending.

LEVERAGE

That conciliatory approach may reflect the leverage possessed by the federal government, which controls not just fiscal affairs but also trade, telecoms, and a host of other critical areas. The federal Education Minister's post-election removal of Mekelle University president, **Kindeya Gebrehiwot**, a TPLF Central Committee member, looked like an early flexing of federal muscle.

Another pressure point is the roads to Tigray, which have frequently been blocked to Tigrayan vehicles over the last two years by groups in Amhara region, whose political elite also has hostile relations with the TPLF. Consequently, Tigray's supplies have been travelling to the east via Afar region, but that route is also coming under pressure from informal militia and security forces, a senior TPLF source told *Africa Confidential*. If

Addis Ababa succeeds in intensifying the economic squeeze on Mekelle, the TPLF will seek to do more than bolster Tigray's defence, but, again, its options are limited.

Tigray possesses a relatively strong security apparatus, with its battle-hardened veterans training paramilitaries and militia, and is believed to have the support of sections of the federal military's Northern Command, which has been manning the militarised border with Eritrea for two decades.

Regional leaders describe cuts to the federal budget as a *casus belli* but Tigrayan forces are unlikely to march on Addis Ababa. Instead, the TPLF seems to be banking on Ethiopia's political

crisis worsening, and weakening Abiy's government. In extremis it may push for secession, which is legal under Ethiopia's constitution.

EMPTY OFFER

Officially, the party is calling for a National Dialogue, backed by a host of other political actors dismayed at the country's predicament, but the conditions attached by the TPLF make it unimaginable that Abiy and allies will embrace the offer.

Tigray's rulers insist not just that any negotiations must involve all political stakeholders but that, post-10 October, they must take place under the watch of a 'technocratic, caretaker' government. Far from suggesting

imminent abdication, recent federal government moves to prosecute popular Oromo nationalist and other opposition leaders following the carnage in Oromia in early July show its intent to stay the course.

Assuming Addis Ababa is able to maintain its authority, the hostile relations with the TPLF are set to worsen, furthering Tigray's isolation, and constraining its ability to bolster its autonomy in preparation for an independence bid. Given the circumstances, the positions adopted, including the apparent willingness of Tigray's leaders to follow a toxic dispute to the bitter end, the prospects for a negotiated settlement are looking alarmingly slim. ●

AFRICA/COVID-19

Paths out of the pandemic

Dire predictions of the toll in Africa from Covid-19 were overblown but disinformation is threatening public health initiatives

Back in March, it was the lull before the storm, with predictions of three million deaths from Covid-19 in Africa. Thankfully, the storm never came. Today, it is the lull before whatever is next.

There is little consensus in Africa on what the next steps should be. There are credible arguments for a wide range of policy options.

Week on week, identified infections in West, East, Central and Southern Africa are down by between 9% and 20%. But North Africa bucks this positive trend with an increase of 14%. The mixed message this brings, coupled to the resurgence of the virus in Europe and elsewhere, has left many governments unsure about whether to reintroduce some restrictions. At the same time there is a determination to get economies moving again.

The African Union symbolises the uncertainty. On 1 October, Commissioner for Social Affairs **Almira el Fidal** held a press conference to announce the launch of the 'Saving lives, economies, and livelihoods in Africa' campaign. She explained that it was to 'mitigate the harm on our population and to guide our governments on normalisation'.

Bizarrely, she had also launched this programme on 4 August though on that occasion she was accompanied by **Amani Abou-Zeid**, Commissioner for Infrastructure and Energy.

Insiders say the first announcement had not received full AU authorisation,

and was quietly shelved (AC Vol 61 No 17). The relaunch concentrates not so much on opening up economies, but rather on supporting the advice of the Africa Centres for Disease Control (Africa CDC): creating public health corridors, setting up multisectoral advisory committees, and accelerating testing. These, she said, are the essential building blocks that need to be in place as economies reopen.

The public health corridor initiative, launched with a flourish on 5 October, comes with a new app (www.africacdc.org/trusted-travel) that has so far been adopted by 36 countries. It details the often confusing requirements for travel to different countries, lists testing centres, and allows for test results from these approved centres to securely auto-load onto a traveller's app, thus becoming an individualised 'Covid-19 digital passport'. Standardising the format and authenticity of test results was an urgent requirement.

Currently 29 countries in Africa insist that passengers arrive with a negative PCR Covid-19 test, taken within 72 hours of departure. Africa CDC continues to push for more harmonisation, and affordability.

STEEP LANDING

In Ghana, the eye-watering US\$150 charge for a rapid test, charged by a private company called Frontier Healthcare Services, for everyone on arrival at Accra's Kotoka International Airport has triggered criticism from

opposition parties and civil society groups. The staff running the tests are mostly nurses from the nearby Ridge Hospital, and the managers are mainly from Nigeria, say local sources.

Frontier, registered in the Dominican Republic, is owned by Nigerian oil billionaire **Benedict Peters**, who moved to Ghana after President **Muhammadu Buhari's** government came to power in Abuja in 2015. Local groups are asking why the state-owned Noguchi Memorial Institute, which pioneered Covid-19 tests in Ghana and charges just \$30 a test, was not given the contract. The New Patriotic Party government is yet to shed light on the contract award process.

TESTING ISSUES

Test and trace remains a thorny subject across the continent. In July the speculation was that Africa's low testing performance was masking a much higher number of cases. But the number of cases reaching hospitals has not borne this out, and the rural areas are not the scene of multiple burial sites of unseen Covid-19 deaths. Instead, almost 90% of Africa's caseload is proving to be asymptomatic and the assumption is that there is something in the immune profile within Africa that appears to be protecting the population against the virus.

Genomic research is under way which may soon reveal what this is. PCR testing is difficult to scale, requiring molecular laboratories and highly trained staff. Rapid tests are cheap, easy to administer, but not very accurate. However, news that the **United States-based** Foundation for Innovative New Diagnostics is now satisfied with one of the tests will come as a huge relief. Shipments will commence almost immediately. Taking testing to scale will now be possible.

The African Centre of Excellence for

Genomic and Infectious Diseases in Ede, a small town in Nigeria's Osun State, was the first to genomically sequence the virus in Africa, revealing that the index case in Nigeria originated from Italy. Scientists in Ede then attached it to the spine of a Monkey Pox vaccine (which pre-Covid they were using for an experimental Ebola and Lassa vaccine), and then sent it to collaborators at the University of Cambridge in the United Kingdom to turn it into a vaccine and undertake phase one animal trials.

If it looks promising, additional stocks will be sent back to Nigeria for further clinical and safety trials. The work is being led by Professor Christian Happi, whose view is that Africans should see disease outbreaks as opportunities and should take ownership of finding solutions to them.

'VACCINE WARS'

So while a blind-side solution might yet come from within Africa, the manufacturing capacity is not yet available within the continent.

And 'vaccine wars' remain a problem. At his press conference in the week-ending 3 October, Africa CDC director John Nkengasong was frank about the failure of the international COVAX initiative, led by French President Emmanuel Macron, to attain the numbers of vaccines Africa will need to produce herd immunity (AC Vol 61 No 18). While praising the programme for 'speaking to international solidarity', he said that the 220 million doses of vaccine falls well short of what is needed.

'We've always said', he asserted, 'that to build herd immunity, we are going to need to achieve somewhere between 40% and 60% of population coverage. This COVAX allocation might only be 10% if we find everyone needs two shots'. He says that they have no alternative but to work to find alternative additional supplies and commended Afreximbank for being willing to provide resources. Finding supplies might be more difficult than finding the money to buy them.

There are other obstacles with signs that the anti-vaxxers have been making headway on social media across the continent. According to the Johns Hopkins Covid-19 Portal, many Africans say that they won't accept a vaccination.

In fact, vaccination scepticism in Africa is the worst of all the World Health Organization's six regions, with an average of 30% saying they won't have a jab. An astonishing 67% of Cameroonians surveyed said they would refuse to receive a Covid-19 vaccination. Côte d'Ivoire and Ghana also registered over 50% refusals, with Angola, Mozambique and Tanzania all returning results around the 40% bracket.

It is a serious challenge, encouraged through disinformation campaigns put out on social media. Many organisations are now working to counter the rumour merchants but after the billions of dollars invested in research, the vaccine roll-out could be jeopardised by rumours that go viral. No wonder health chiefs are calling it an Infodemic. ●

ALGERIA

Which way is Tebboune facing?

A month ahead of a constitutional referendum and parliamentary elections, the country is deeply divided over the government's claims of reform

Supporters of President Abdelmajid Tebboune, supported by army Chief of Staff Major General Saïd Chengriha, has presided over the crushing of the oligarch culture that thrived under Abdelaziz Bouteflika, forced out of office by popular protests in April 2019. The proposed new constitution – which limits presidential terms to two – points to a reforming zeal, they say, while he is showing his nationalist credentials with a more assertive attitude to events in turbulent neighbours Libya and Mali.

But long-standing Algeria-watchers and many hard-pressed citizens argue that little has changed: the oligarchs and security grandees have been replaced by another unaccountable elite.

People also differ over *El Hirak* (The Movement), which sprang up in February 2019 to stop the Bouteflika clan's unconstitutional fifth term ambitions and call for wider change in the corrupted political system. *El Hirak*'s initial lack of leadership structures allowed it to build a broad-based movement but critics say it has been unable to present a viable alternative to

the traditional military-backed political system (AC Vol 61 No 13).

Coronavirus has kept the crowds off the streets – despite localised protests in the Deep South, Annaba, Bouira and other locations. Many early marchers have been discouraged by *El Hirak*'s deep ideological divisions, notably between Islamist and Berberist tendencies.

In true North African fashion, the authorities' media allies have played up these splits pointing to the influence of the exiled Islamist group *Rachad* and other groups identified with the old *Front Islamique du Salut* (FIS).

An alternative analysis is offered by students of *El Hirak*, including Amel Boubekeur, who analysed the movement for European Council on Foreign Relations. Boubekeur told a Chatham House webinar on 30 September that the opposition movement, while off the streets, had been organising during the coronavirus pandemic. With the regime under pressure amid economic downturn, opposition forces are organising via social media to create new structures that could allow *El Hirak* to return to the fray strengthened. European

government analysts see the possibility of the movement driving 'major change'.

This indicates the opposition has neither been cowed nor eliminated as many reports suggest. But neither are the efforts of charitable groups and student associations likely to pose an immediate challenge to the state.

The regime has lost none of its coercive force and has cut off the movement at its head: while one potential leader, Karim Tabbou, was provisionally released, the Kabyle activist faces as much as ten years in prison and loss of his political and civil rights for up to five years in further actions. *El Hirak* has also been divided on its agenda, unable to unite behind even their more widely popular policy proposals.

NO CONFIDENCE

From its El Mouradia Palace in Algiers, the Presidency argues it has sounded out opinion across the political spectrum and civil society in drawing up the new constitution. Critics who go well beyond the ranks of *Hirak* activists – most recently including respected ex-premier Mouloud Hamrouche – deny there has been real consultation on a document ordained from above. Neither does precedent give confidence that the new constitution will be properly implemented, argues academic Yahia Zoubir.

A new electoral body – the *Autorité nationale indépendante des élections* – was established on Tebboune's watch, but there are deep concerns

LEADING FROM THE TOP

Developments since President **Abdelmajid Tebboune's** election last December have been led from the top as in previous decades (AC Vol 61 No 2). Tebboune and his government, led by Prime Minister **Abdelaziz Djerrad**, has been promising a slew of reforms, which are essential with long-term gas exports and oil depressed to an extent that the foreign reserves of the central bank have plummeted towards \$40 billion. Local economists are making dire predictions that Algeria will be unable to import goods by 2022. After **Abderrahmane Raouya** was replaced as finance minister by *Banque d'Algérie* governor **Aymen Abderrahmane** in a June reshuffle, a new central bank governor was confirmed on 22 September: **Rosthom Fadli**, a long-term BdA insider.

Radical reform is promised, but as ever the bureaucracy seems unable to deliver on changes that threaten their sinecures. Those looking for an accelerated liberalisation or reform of Algeria's key economic institution, state energy company Sonatrach, should take account of the backgrounds of Tebboune and key allies such as Industry Minister **Ferhat Aït Ali**. Tebboune was described by one European official as 'a career civil servant and government apparatchik, who has always been on the regime's left wing, so temperamentally against corruption but also antipathetic to the private sector'.

Tebboune has a degree of popularity and can pull the levers of power in a nation where a majority still respect the state, even if they don't like many of its actions and personnel. The president's alliance with **Saïd Chengriha** – whom he confirmed as army chief of staff after **Gaïd Salah's** death – offers a potentially unprecedented opportunity for Tebboune to build his power base.

Potential military rivals have all now been pushed aside, including the former heads of domestic intelligence (Gen **Wassini Bouazza**), the air force (Maj Gen **Hamid Boumaiza**) and the gendarmerie (Maj Gen **Abderrahmane Arrar**). This has allowed younger generation officers to emerge in senior ranks, owing their advancement to Chengriha and the president. The latest is new 2nd military region (Oran) commander Maj Gen Djamel **Hadj Laaroussi**, installed in mid-September on an occasion Chengriha used to underline the army's support for the proposed constitution.

Tebboune risks becoming isolated, surrounded by a very small group of close aides in the El Mouradia palace, including his influential legal advisor **Boualem Boualem** and his old friend **Abdelhafid Allahoum**. An obvious change from the infirm Bouteflika, the public supports Tebboune's more proactive approach to the neighbourhood's major problems, starting with **Libya** and **Mali**, and appreciate his nationalist tone, which has not gone down well in local rival **Morocco**. ●

that revisions of electoral lists are insufficient for the referendum on 1 November and parliamentary elections shortly thereafter.

Algeria-watchers are divided over the extent to which the regime has changed, despite some seismic changes since February 2019, when the protest movement erupted.

After his 2014 re-election, Bouteflika overtly favoured an oligarchic elite cultivated by presidential brother **Saïd Bouteflika** and his allies, led by public enemies **Ali Haddad** and the four Kouninef brothers. That shift has

been reversed by arrests and tortuous corruption trials in civilian and military courts. All the Kouninef brothers were sentenced to long sentences of 12 to 16 years in September, and are among many dozens of former millionaires in far from comfortable prison conditions.

GRAFT DRIVE

In recent weeks, the government has taken concerted action taken against the business-minded children and relations of the former elite, including the family of late military strongman Lt Gen **Ahmed Gaïd Salah**.

Tebboune's earlier anti-corruption credentials and role as housing minister, when chronic shortages were addressed by investment in construction that favoured emerging middle classes, have helped to underwrite support. His allies may not be blameless, but graft is expected to ratchet down from its extravagant Bouteflika-era levels. That is essential because if Algeria's leaders do not rewrite their social compact with the 43 million-plus population, a more violent response beckons during a prolonged age of austerity. ●

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POINTERS

Zambia

THE GREAT BOND BUST

■ Deteriorating relations between the holders of Zambia's \$3 billion Eurobonds and the government after its 22 September request for a six-month suspension of coupon payments point to one of two outcomes. Either Lusaka struggles to keep up the payments as it negotiates a full restructuring of all three Eurobonds or, more likely, it defaults and forces a restructuring.

Bondholders are not buying the argument that the payments crisis was triggered by the Covid-19 pandemic, say financial sources. They say the real cause is financial mismanagement and theft of funds. The investor committee's reference to the need for a 'policy trajectory that transcends... political cycles' indicates that bondholders fear that the ruling Patriotic Front is using the pandemic to free up funds for election campaigning.

The bondholders refused the request on 30 September, a day after Zambia's Minister for Finance, **Bwalya Ng'andu**, cited the pandemic as a reason for leniency in a presentation to investors.

The External Bondholder Committee, which holds approximately 40% of Zambia's outstanding Eurobonds and says it is in 'close contact' with creditors holding another 30%, told Zambia that unilateral initiatives would not be received well by creditors, who want more information about how the country will manage its growing pile of **Chinese** loans.

As *Africa Confidential* went to press, Zambia issued written answers to follow-up questions from bondholders, in which it revealed that it has \$485 million of external arrears, \$256m of them on commercial loans. It admitted that these are hindering talks with Chinese creditors.

The committee tartly remarked that neither Zambia nor its financial advisors Lazard had engaged with it before asking for the payments suspension. The 2021 budget 'moves the country further away from a path of debt sustainability', they said, exacerbated by the 'unnecessary' extra \$900m of debt acquired this year and the massive increase in spending on the Farmer Input Support Programme to 3% of GDP – at least \$500m – which the government presentation confirmed.

Uganda

BOTTLING WINE

■ Uganda's Chief of Defence Forces, General **David Muhoozi**, is in the spotlight over suspicious dealings with the man who is seeking to deregister a political party he handed over to opposition leader **Robert Kyagulanyi**, also known as **Bobi Wine**.

Moses Kibalama, a little-known former police officer who guarded two former presidents, came to public attention in July when he handed over to **Bobi Wine** the National Unity Platform (NUP), previously known as the National Unity, Reconciliation and Development Party (NURP).

Despite its popularity, **Bobi Wine**'s People Power movement was unregistered and risked being locked out of the electoral process. To overcome this, **Bobi Wine** unveiled the NUP on 22 July, prompting praise that he had outsmarted **Museveni**'s establishment that sought to block his candidacy. Within weeks, 21 legislators (16 from the Democratic Party, two from the ruling National Resistance Movement, and three independents) joined its ranks. The party had also selected **Bobi Wine** as its presidential candidate.

But in August, **Difas Basile** and **Hassan Twala**, who claim to be NURP founder members, dragged **Bobi Wine**, other NUP leaders, and the Electoral Commission to court claiming they had illegally changed the party leadership and its name. Initially, **Kibalama** swore an affidavit in September defending the process. Later the same day, he swore another contradicting the first. Meanwhile, reports emerged that he had held a meeting with **Muhoozi** at military headquarters in **Mbuya**, a suburb of **Kampala**. With **Kibalama** nowhere to be seen, **Bobi Wine** and the NUP leadership accused the military of holding him against his will. It has since emerged that **Kibalama** was in military custody.

Appearing before court to clarify his contradictory affidavits at the end of last month, **Kibalama** claimed that he had signed the earlier affidavit without reading it and had signed another following consultation with new lawyers, though he appeared unclear on who his lawyer actually was.

World Trade Organization

AMINA MISSES OUT AGAIN

■ **Kenya's Amina Mohamed** will again narrowly miss out on a top international job after **Ngozi Okonjo-Iweala**, **Nigeria's** former finance minister, and **Yoo Myung-hee**, **South Korea's** trade chief, were selected as the final two candidates in the race to be the next director-general of the World Trade Organization (AC Vol 61 No 15).

Despite flying to Paris to meet with **French** President **Emmanuel Macron** and speak to other European leaders, President **Uhuru Kenyatta's** European charm offensive on **Mohamed's** behalf last week failed to persuade most of the EU envoys, who instead agreed to endorse **Ngozi Okonjo-Iweala** and **Yoo Myung-hee**. **Yoo** made her own, apparently more successful, lobbying trip to Europe last week.

In the first round, which whittled the eight original candidates down to five,

European countries backed **Mohamed** and insiders thought, mistakenly, that a similar pattern would be followed in the second round (AC Vol 61 No 19). The WTO has not had an African or a woman director-general.

Mohamed's pitch to integrate climate change issues into the WTO agenda and draw up rules for the international trade of environmental goods and services, like solar panels and wind turbines, had been aimed at securing European endorsement.

The African Union did not endorse a single candidate, though its 54 members' votes are now certain to swing behind **Okonjo-Iweala**. How the Americas, Asia and the Pacific will vote is hard to call.

The two candidates now face a month of campaigning with the winner to be decided in early November.

Kenya

RAILA'S PATH TO POWER

■ After four unsuccessful election attempts, **Raila Odinga's** path to the presidency now rests on his improbable alliance with President **Uhuru Kenyatta**. Many in his Luo community still welcome the peace they say has followed the 'handshake' with President **Kenyatta**. But others complain that 'Baba' – as **Odinga** is known by his supporters – has delivered little for western Kenya.

That kind of criticism has encouraged Deputy President **William Ruto**, increasingly marginalised by **Kenyatta's** allies in the governing Jubilee party, to make a concerted bid for the Luo, Luhya and Coastal communities, all of which feel that they have been neglected by successive governments in Nairobi. After visits to the Coast, **Ruto** spent the weekend on the campaign stump in **Kisumu**, **Odinga's** fiefdom, repeating his offer of youth employment schemes and the prospect of massive infrastructure investment programmes (AC Vol 61 No 19).

Pitching for 'Baba's' Luo community is a long shot but **Ruto** is not spending campaign cash without cause. A handful of prominent **Odinga** strategists at the 2018 election, including **Eliud Owalo**, who organised the **Kisumu** visit, have defected to **Ruto's** camp.

Odinga has gone back to the campaign trail in recent days, promising that the Building Bridges Initiative report will be published within the coming days. At the weekend, he accused the Deputy President of tokenism, complaining that throwing money at youth and women-led businesses, as **Ruto** is offering, will not address the deep-rooted problems in the country. He says that BBI will potentially treble the amount of money that is transferred from the centre to the county governments, in a bid to placate his heartland supporters who fear that they will again be left behind.

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BLUE LINES

The International Monetary Fund reckons the Covid-19 pandemic will result in sub-Saharan African economies contracting by 3% this year and bouncing back by a similar amount in 2021. Over half of low-income countries are either in debt distress or at high risk of debt distress, according to the Fund.

Yet despite these dismal forecasts and a growing consensus that a handful of African sovereigns are likely to default over the next year, the autumn meetings of the IMF and World Bank, seven months into the pandemic, covered little more than the lowest hanging fruit. A six-month extension of the Debt Service Suspension Initiative – which Kenya and several other African states have opted out of because it could hurt their creditworthiness – and a commitment to publish a 'Common Framework for Debt Treatments' in November, setting out debt restructuring proposals on a country-by-country basis, represents more thin gruel. Little progress has been made on private sector debt restructuring.

IMF Managing Director Kristalina Georgieva says emerging markets will need \$2.5 trillion of assistance. Yet the Fund had, by the end of July, only dispersed \$90 billion in loans and currency swaps, and is unable to get its board to sign off on new Special Drawing Rights.

'You can't squeeze water out of a stone,' says economist Joseph Stiglitz, who argues that without debt restructuring and increased fiscal assistance, many countries will not recover. For the moment, however, little more is on offer.

NIGERIA

Rage at the gates

Targeted with live rounds in Lagos, campaigners against police brutality step up their protests and political ambition

The intensity and national reach of the protests against the Special Anti-Robbery Squad (SARS) police unit have caught President **Muhammadu Buhari's** government off-guard. But the police and military's use of deadly force against the protestors has redoubled popular distrust of the government, making any political solution to the crisis far harder.

President Buhari's government was divided over how much it should concede to the predominantly youthful demonstrators on the streets of most major cities. It seemed to have calculated that announcing the disbanding of SARS as part of wider reforms of the police would persuade the activists to call off the demonstrations across the country.

Almost all the protests had been highly disciplined and peaceful, despite the efforts of some unidentified groups to disrupt them. The turning point for both government and protestors came on 20 October when five state governments, including Lagos, announced curfews. At the same time, the army said it would send troops to support the police enforcement effort. The curfew announcement was followed by an attack at dusk by a formation of men in camouflage uniforms walking deliberately towards the protestors who had been occupying the Lekki Toll Gate, east of Lagos, for over a week. The floodlights and the closed-circuit television were turned off just before the shooting started.

Conflicting reports surround the shooting and the death toll. Several

demonstrators told Reuters and the BBC that over 10 people were shot, some killed, and insisted that the armed men were soldiers and were followed by back-up vehicles.

In statements on social media, army spokesmen denied they were at Lekki or were responsible for the shootings. Then, Lagos State Governor **Babajide Sanwo-Olu** said the army had been deployed to Lekki but were observing strict rules of engagement. He has announced an investigation into the shootings that is to report within two weeks.

TRIGGER

News of the shootings on the morning of 21 October triggered a wave of attacks on police stations and public buildings across the commercial capital, including several banks, the Lekki Toll Gates and headquarters of TVC News, owned by Continental Broadcasting Services, a company linked to former governor of Lagos **Bola Tinubu**. The Tinubu family has also been linked to the company which owns the Lekki Toll Gate which is said to have lost US\$600,000 since the protests started. Some youths broke into the Oba of Lagos's palace and others surrounded Tinubu's compound on Bourdillon Road, in the wealthy Ikoyi district.

The army complicated the government's response when its spokesman, Colonel **Sagor Musa**, said it was prepared to intervene in support of the 'democratic government'. That prompted suspicions that it had very different intentions, that a faction within the military and

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States carry on regardless		The limits on the economy		A DIY debt trap		New debt demand		TANZ/UGANDA	9
Rivals in Ondo State's polls campaigned for their national ambitions more than local issues		As dissent grows, the finance minister insists prospects are brightening		The government has turned down debt deferral and plans to increase borrowing		A local company takes the state power utility to court as bondholders delay a vote on relief		SIERRA LEONE	10
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30 YEARS OF PROTESTS AGAINST NIGERIA'S POLICE

1984: The military government led by General **Muhammadu Buhari** and Brigadier **Tunde Idiagbon** sets up a special section of the Nigeria Police Force (NPF) to combat armed robbery. The Special Anti-Robbery Squad (SARS) can be traced to this unit.

1992: The military regime under General **Ibrahim Babangida** sets up the first SARS unit with that name under the Criminal Investigation and Intelligence Department in the NPF. It is tasked with stopping armed robbery, kidnapping and cattle-rustling.

2010: SARS expands to take on internet fraudsters and violent cults in universities. Its agents infiltrate colleges and universities prompting protests from students and youth groups. Amnesty International sues the NPF for the torture of three men in Port Harcourt. Calls mount for the disbanding of SARS.

August 2015: Inspector General of Police (IGP) **Solomon Arase** splits SARS into an operational and an investigations unit.

September 2016: Amnesty International releases a report documenting SARS's extensive use of torture and detention without trial.

December 2017: Human rights activist **Segun Awosanya** leads the online campaign #EndSARS. At the National Assembly, the Senate calls for the disbanding of SARS.

August 2018: Vice-President **Yemi Osinbajo**, during President **Muhammadu Buhari's** medical leave in London, orders the 'immediate overhaul' of SARS after a succession of well documented reports of abuses. IGP **Ibrahim Idris** announces that the unit will be renamed the Federal Special Anti-Robbery Squad and that a new head will be appointed along with officers trained to monitor human rights abuses (AC Vol 59 Nos 3 & 16).

January 2019: New IGP **Mohammed Adamu** restructures and decentralises SARS, stating that the Commissioners of Police in each state will be responsible for SARS operations.

June 2020: An Amnesty International report states that no SARS officer has been prosecuted despite a succession of reports detailing rights violations and killings.

3 October: Video is posted on Twitter purportedly showing SARS operatives dragging two men out of a hotel in Ughelli, in Delta State, then shooting one of them dead. The footage goes viral, sparking mass protests across the country to #EndSARS.

8 October: Protests start in at least ten states, mostly in the South and Middle Belt. Protestors led by film stars and celebrities demonstrate outside the state government headquarters in Lagos as Nigeria's top musicians endorse the campaign, getting support from sports stars and musicians in Europe and the **United States**.

10 October: Protests in Abuja are dispersed. Police are accused of shooting dead protestor **Jimoh Isiaka** in Ogbomosho, Osun State.

11 October: Adamu announces the immediate dissolution of SARS.

12 October: President Buhari, launching the Youth Empowerment Scheme, says the dissolution of SARS is part of wider reforms of the police. Police in the capital again use force to disperse protests. Amnesty says at least ten people died during the protests.

13 October: Rivers State governor **Nyesom Wike** rescinds an earlier order to disperse protest in the state. Demonstrations shut down many cities in the South-East including Enugu, Owerri and Aba. Lagos State governor **Babajide Sanwo-Olu** meets President Buhari over the protests. IGP Adamu announces a new Special Weapons and Tactics (SWAT) unit to replace SARS.

14 October: More demonstrations in Lagos, Abuja and Warri, Delta State. Sanwo-Olu calls on campaigners to wind down the protests because they are harming business. The army says it is ready to support civil authorities to restore order.

15 October: Demonstrators mass outside the gates of the National Assembly in Abuja where parliamentarians are due to meet on the crisis. Ekiti State governor **Kayode Fayemi** chairs a meeting of the 36 State Governors which agrees on local investigations into police brutality and to set up compensation funds. Protestors block the roads to the international airports in Abuja and Lagos. Twitter creates a special emoji backing the #EndSARS campaign in green and white, Nigeria's national colours.

16 October: Osinbajo chairs a meeting of the Council of State, and says federal government is committed to judicial panels at state level, investigations, and compensation for victims. He apologises for the government's slow response to the protests. Armed thugs attack protestors in Lagos. International hacking group Anonymous attacks the Central Bank of Nigeria website.

17 October: Two people die in Osun after local thugs join the protests amid reports of attempts to kill the state governor. The Nigerian Army announces it is launching a national exercise Crocodile Smile VI on 20 October, to include cyber warfare operations, but insists it is not targeting protestors.

18 October: Protests force the rescheduling of national school examinations. Tanker drivers block the Yola-Taraba highway in the North-East in protest against police brutality. Protests in Ilorin are disrupted by thugs. IGP says training of the new SWAT unit, in consultation with the International Red Cross to monitor human rights, is starting.

19 October: There are two mass break-outs from the Federal Prison in Benin City, one of the most closely guarded facilities. The Edo State government imposes a curfew after setting up a judicial panel to investigate police brutality.

20 October: Curfews are announced in Lagos, Osun and Ekiti states. Troops patrol key government institutions in Abuja. Unidentified men remove the CCTV cameras and disable the floodlights at the Lekki Tollgate in Lagos which have been occupied by protestors for a week. At dusk, armed men in camouflage fire live rounds into the demonstration at Lekki. Many are reported to have been killed or wounded but the army denies responsibility for the operation. The attacks trigger condemnation from the UN.

21 October: Thugs and 'area boys' go on a looting spree in Lagos, setting fire to state and commercial properties, and ransacking the Oba of Lagos's Palace. ●

the Department of State Security had its own agenda. Chief of Army Staff General **Tukur Yusuf Buratai** has said nothing since the crisis escalated and army got involved.

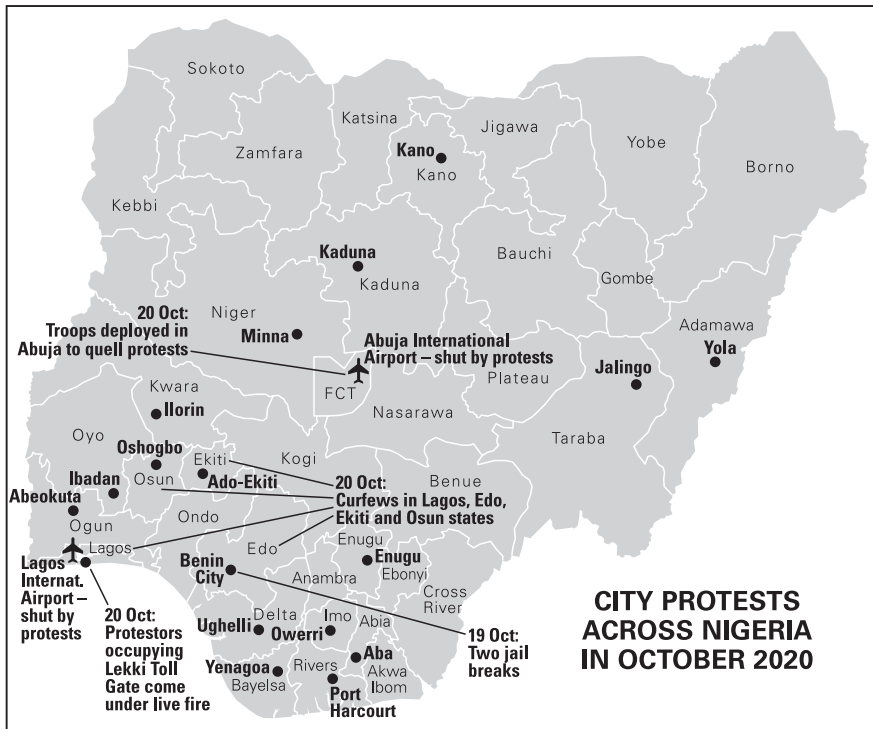
After announcing that it was about to begin a national training exercise known as Operation Crocodile Smile, the military high command deployed troops across Abuja, the political capital on 19 October. Although narrowly targeted on

police brutality, the protests have quickly become a signifier for campaigners against corruption, inequality and arbitrary state power as they won national and international backing.

The role and organisational prowess of youths in the protests, especially those with tech and social media expertise, points to a deepening generational divide. It comes as the economic recession triggered by the

pandemic has taken a heavy toll on jobs and living standards. The campaigners have enlisted backing from **United States** tech firms Twitter and Google, both of which are significant investors in Nigeria. Twitter founder **Jack Dorsey** publicly backed the protestors and their online fund-raising.

As the protests were spreading, the US tech investor Stripe was negotiating to buy Paystack, one of Nigeria's biggest



CITY PROTESTS ACROSS NIGERIA IN OCTOBER 2020

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Yet reforming the police could be a catalyst for wider political change. Decentralising the federally controlled police, making it more accountable to state governments, let alone communities, is contentious for Nigerian politicians. Many oppose the idea of state police; few want more accountability for the security services.

After two weeks of monumental activism by the #EndSARS movement, some predict it will develop into a new national movement reflecting young Nigerians' disenchantment with the country's dominant two political parties. The youth movement's inclusiveness – disregarding the common fault lines of class, ethnicity and religion – has given it a particular power, all the more so in a country where over 60% of the population of around 210 million is under 30. Youth unemployment is now running, according to the National Bureau of Statistics, at 34%, the highest for a decade. It shows the pandemic's hit to the economy and also explains the irresistible appeal of this new movement. ●

fintech companies, for over US\$200 million. It was another sign of the power of the tech sector in the economy. The campaigners used their networks to win support from top athletes, musicians, film stars, students and professionals in the diaspora and spread the word. The hashtag #EndSARS – the movement's demand for the abolition of the police unit – is flashing around the cybersphere.

Coordinated on social media across the country and internationally, the

#EndSARS movement has no publicly identified leaders with political or civil society affiliations, nor are trade unions or religious groups directly involved.

The protestors are inspired by the Black Lives Matter campaign in the US, along with their counterparts in **Algeria** and **Sudan** whose confrontation with the state pushed out leaders long in power and kick-started political change. Faster than many had thought, the protest movement's aims are turning to more ambitious political demands.

NIGERIA

States carry on regardless

Rival candidates in Ondo State's elections campaigned for their national ambitions more than local issues

After losing the Edo state elections last month, the ruling All Progressives' Congress (APC) held on to **Rotimi Akeredolu's** governorship of Ondo State on 10 October – a result that keeps the country's two main parties more or less in balance (AC Vol 61 No 19). The parties' growing distance from grassroots concerns was exposed by the fact that neither of them campaigned on the issues of police brutality or state accountability.

It also showed the parties' lack of imagination, as they failed to grasp the significance of the demonstrations sweeping the country. Instead, the

Ondo election was Nigeria politics 1.0; a battle between candidates climbing the hierarchy of the political class regardless of ideology.

Akeredolu won his second term with 51% of the 572,745 votes cast, against 34% for his closest challenger, the People's Democratic Party (PDP) candidate **Eyitayo Jegede**. **Agboola Ajayi** of the Zenith Labour Party (ZLP) came a distant third with 12%.

Ondo state, in the South-West geopolitical zone and bordering the Niger Delta, has suffered from pockets of violence, particularly in the riverine communities, between APC and PDP supporters. Election campaigning

continued despite the spreading protests against police brutality.

Meanwhile, the Independent National Electoral Commission won plaudits for running another credible poll. Its use of technology helped. INEC insisted that all polling agents in each voting unit upload all results onto the national server as soon as the local results were read out, meaning the results were available both to INEC's national collation centre and the public at the same time. If this system is used in the national elections in 2023, it could substantially cut the scope for fraud, although violence and vote-buying would not be affected.

The Ondo polls were a rerun of 2016 (AC Vol 57 No 24). **Agboola**, then Akeredolu's running mate on the APC ticket, remains the state deputy governor, but they have since fallen out. **Agboola**, who described the APC as 'a poisoned space', defected to the PDP in June. But he lost the race for the PDP candidacy and so he switched to the ZLP, teaming up with its national leader

and Akeredolu's immediate predecessor, **Olusegun Mimiko**, who is now regarded as irrelevant. Mimiko has now failed to influence both the 2016 and 2020 Ondo state elections, as well as losing his own senatorial election last year.

Agboola's days in office appear to be numbered. A bid to impeach him in the run-up to the elections has been revived now that the poll is over, but he is expected to resign before the state assembly, which is controlled by the governor, votes against him. Since his election loss, there has been speculation about Agboola's relationship with Mimiko foundering over election funds.

A win for Jegede would have been a great boost for his ally, the PDP's failed presidential candidate in 2019, **Abukakar Atiku**, who wants to try again in 2023.

If the APC had lost in Ondo, so soon after **Godwin Obaseki's** trouncing of the ruling party in Edo state last month, it would have undermined some of their frontline politicians, including junior Niger Delta Affairs Minister **Ajayi Borofice** (AC Vol 61 No 16).

The election was also a proxy battle between **Kayode Fayemi** and **Seyi Makinde**, governors of the neighbouring states of Ekiti and Oyo respectively. Both are emerging leaders in their own parties.

Makinde, who was in Edo together with his fellow PDP governors, was keen for a victory on the bounce in

Ondo, the home state of his mother. Fayemi stayed loyal to Akeredolu after backing his emergence in the 2016 primaries against the wishes of APC national leader and former governor of Lagos, **Bola Tinubu**.

As chair of the Nigerian governors' forum, Fayemi has built up support from fellow governors ahead of the 2023 elections with a mix of old-fashioned political alliances and newer policy ideas (AC Vol 61 No 17).

Recently, an APC faction in Ekiti tried to suspend Fayemi for 'anti-party activities', insinuating that he had worked behind the scenes against the party for Obaseki's re-election. The APC's national secretariat sprang to Fayemi's defence.

Until six months ago, Obaseki was in the APC but was forced out by former state governor **Adams Oshiomhole**, and his election fight in Edo was as much a battle between factions in the ruling party as it was with the PDP.

Despite internal party tensions, Akeredolu's victory puts the APC in control of the South-West, save for Oyo state. The party's ranks are now expected to swell as PDP and ZLP activists decide their best chance is with the winning ticket.

The fortunes of Tinubu as political godfather of the South-West are also waning. Alpha Beta Company, a firm with which he has close ties, is at the centre of corruption allegations

involving the management of Lagos state's gargantuan local tax revenues (AC Vol 59 No 7).

Dapo Apapa, who claims to own 30% of Alpha Beta, is suing Tinubu, arguing that the company has been used for massive corruption including tax evasion, bribery of government officials, and diversion of funds.

The respected *Premium Times* online news service reports that another 30% of Alpha Beta's shares are owned by **Gboyega Oyetola**, governor of Osun State, another Tinubu ally (AC Vol 59 No 21). Such ructions in South-West politics could play out in a variety of ways. Supporters of Tinubu argue that he is one of the canniest political operators in the country and that until about six months ago, he was regarded as one of the frontrunners for the 2023 presidential race. Yet he studiously denied any such interest.

Now, the race for the APC presidential nomination looks more open, with several candidates from the South-West near the top of the list: Tinubu, Fayemi, Works and Housing Minister **Babatunde Fashola**, and Vice-President **Yemi Osinbajo**.

There is little doubt that, in or out of power, Tinubu still commands more resources than the other contenders. But with mass street demonstrations railing against inequality, corruption and lack of security, presidential elections are far from most people's concerns. ●

ZIMBABWE

The limits on the economy

As dissent grows and government lacks finance for a new land scheme, the finance minister insists prospects are brightening

Rejecting the gathering gloom about the national economy, Finance Minister **Mthuli Ncube** released a budget strategy paper on 16 October forecasting the economy would grow by 7.4% next year after shrinking 4.5% this year. This would be based, he insisted, on a boom in agriculture and mining, particularly the gold sector, as prices for the metal reach record levels.

This year, agriculture is growing at 11.3%, mining by 11%. But there are important constraints on that growth, given the wider economic slowdown, weakening national currency, galloping inflation, scarcity of inputs, and poor transport. Ncube offered some desperate optimism on prices: inflation would be down to 134% by the end of the year, having fallen to 659% in

September, after hitting 837% in July.

The 2021 budget, to be released next month, will explain how the government will cut spending on state wages to less than half of total spending, Ncube said. Given that strikes by teachers and health workers have already wrangled concessions from the government, it's hard to see how they can withdraw those without still more political confrontation.

LAND U-TURN

On the plans to more than double agricultural output, investment in the sector has been hampered by continuing doubts over land ownership and security of tenure. The obstacles to the government's latest U-turn on land policy are both political and financial.

In July Zimbabwe signed a US\$3.5 billion deal agreeing to compensate more than 4,000 white farmers who were evicted during the country's contentious land reform that began 20 years ago. The deal followed an announcement that foreign white farmers protected by Bilateral Investment Protection and Promotion Agreements (BIPPA's), as well as 'indigenous' farmers, would be allowed to return to their farms, where possible, or offered alternative pieces of land. The move is key to encouraging the lifting of **United States** and European Union sanctions and restoring relations with international lenders (AC Vol 61 No 9). But the political fallout was immediate and across party lines.

Both **Jonathan Moyo**, former Information Minister for the ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF) living in exile in **Kenya**, and **Tendai Biti**, opposition MDC Alliance Vice-President, took to Twitter to accuse the government of reversing its land reform programme.

The leader of South Africa's opposition Economic Freedom Fighters (EFF), **Julius Malema**, who is calling

for land expropriation without compensation, condemned the move and called on 'ordinary Zimbabweans to reject this wasteful use of money that should be directed towards building hospitals in Zimbabwe'.

Even within ZANU-PF, where dissent is not readily tolerated, a section of the ever-loyal war veterans held a press conference rejecting the deal: 'This is a sell-out agreement. It is a reversal of what cannot be reversed, that for which we went to war,' said **Amos Sigauke** of the War Veterans Pressure Group.

A dozen former fighters have filed a case with the high court against the administration, accusing it of putting white farmers ahead of those who fought for Zimbabwean independence.

President **Emmerson Mnangagwa** has sought to calm the storm, insisting that it was necessary to pay compensation in order to comply with the 2013 constitution as the government has agreements with 12 other countries, including **South Africa, Germany** and the **Netherlands**, guaranteeing to protect the investments of foreign citizens. State media has downplayed the number of BIPPA-protected farms that were seized, claiming the number was as low as 37. This is unlikely to be true. At least 40 **Dutch** farmers successfully sued for 25 million euros (\$32.74m) at the World Bank's International Centre for Settlement of Investment Disputes in 2009. A Lands Ministry official, **Marius Dzinoreva**, was in 2013 quoted by state media putting the number at 197 (AC Vol 61 No 8).

Mnangagwa's move was backed by **Christopher Mutsvangwa**, the leader of the Zimbabwe National Liberation

War Veterans' Association, the largest war veterans' group. 'We strongly support the initiative because we are doing it for goodwill. We have been viewed as being cruel to white former farmers by expropriating land without compensation. We also lost foreign direct investment.'

Zimbabwe has suffered periodic food shortages since it started expropriating most large-scale white-owned farms in 2000. The resultant drop in crop output and ensuing sanctions, have been exacerbated by three years of drought and now the coronavirus pandemic. Inflation is now running at 700% (AC Vol 61 Nos 2 & 7). The UN's World Food Programme has warned that it expects 60% of Zimbabweans – 8.6 million people – to be food-insecure by the end of the year (AC Vol 60 No 20). President Mnangagwa has been strongly criticised by the US, UK and other countries for restricting citizens' freedoms, and failing to tackle corruption and investigate human rights abuses.

BOND SCHEME

Plans under discussion to pay for the \$3.5bn settlement include issuing 30-year bonds, with a proposed sale of \$700 million worth on the new Victoria Falls Stock Exchange, and approaching international donors jointly with white farmers. But there is unhappiness that the debt will be passed on to taxpayers.

The country is seeking 'guarantees from financiers, even sovereign partners, to improve the credit risk profile' of the bonds to boost the confidence of potential investors, Finance Minister **Mthuli Ncube** told Bloomberg. He added that the repayment of the debt could be guaranteed by exports of commodities

such as gold, platinum and diamonds.

However, analysts were sceptical that investors would be prepared to take on the level of risk involved due to the state of Zimbabwe's economy at a time of slowing global growth.

The \$3.5bn only relates to white farmers who were not protected by BIPPAs and are therefore only entitled to compensation for improvements they made on the farms, such as roads and dams, and not the land itself, according to Section 72 of the Constitution.

In the case of BIPPA-protected farmers and indigenous Zimbabweans who lost land, there are unanswered questions regarding title. Following the land reform, agricultural land is now state land with title coming in the form of a 99-year lease that can be revoked by the president. Two lawyers told *Africa Confidential* that even if the BIPPA farmers were returned to their land but under a different title, that would not qualify as compensation. The 99-year lease is not transferable and is subject to political vagaries such that it is considered worthless; banks do not lend on the strength of a 99-year lease. Under these circumstances and given the level of investment required on these farms, it is unlikely that BIPPA farmers would return to risk fresh capital.

At best this appears to be another cosmetic move by Mnangagwa. He does not have the \$3.5bn compensation, and it is unlikely that any BIPPA-protected farmer will be returning to risk fresh capital – if they did, the government could invoke the 'where possible caveat', insisting they take a different piece of land. The risk of agitating resettled farmers, ZANU-PF's power base, is too great. ●

KENYA

A DIY debt trap

The government has turned down debt deferral and plans to increase borrowing, prompting growing doubts about its judgement

President **Uhuru Kenyatta's** government insists it will not take advantage of the Debt Service Suspension Initiative (DSSI) offered by the Group of 20 wealthy nations to mitigate the effects of Covid-19 (AC Vol 61 No 9). It has thus foregone postponement of an estimated US\$900 million in external debt repayment, which could have been used to close a growing fiscal deficit and ease pressure on the declining Kenyan shilling.

Instead, with the President himself and Finance Minister **Ukur Yatani** in the lead, the government has piled up more domestic and foreign debt, most significantly a state-guaranteed \$1.66 billion credit from **France's** Meridiam Infrastructure Africa Fund to enable a Vinci Construction-led consortium to build a 190-kilometre four-lane toll road from Limuru (near Nairobi) to Mau Summit (past Nakuru) which the French will operate. Kenyatta and President **Emmanuel Macron**

attended a ceremony for the agreement at the Elysée palace on 1 October.

Yatani says the government is not yet done with external borrowing and will reschedule debts if need be, one donor at a time. Kenya's debt-to-GDP ratio hit 63% in March, already above the level the International Monetary Fund regards as sustainable – and it is set to rise even higher. Before Covid-19 struck, Kenya was already spending 40% of its tax revenue on debt repayment, leaving barely enough for salaries and maintenance. GDP in the second quarter of 2020 shrunk by 6%, so tax revenues will decline in tandem. This ought to make debt-rescheduling more important than borrowing, in the view of many.

The government's decisions, not just on external debt management but on the economy as a whole, have baffled Kenya's best-informed economists as

well as staff at Kenya's offices of the IMF and the World Bank, not to mention many Western embassies. The question on everyone's lips was 'Who is advising this government on economic policy?' Nobody has a ready answer to that, not even at the top ranks of Kenyatta's youthful administration.

POLICY DOWNGRADE

A growing number of critics are saying that, especially when compared to President **Mwai Kibaki's** time in the presidency, there has been a decline in the experience and intellectual calibre of economic thinkers, number-crunchers and policymakers in government (AC Vol 61 No 12). They see decisions as being too often made on the hoof.

Among the first things the Kenyatta government did on taking power in 2013 was to put into cold storage the respected National Economic and Social Council think-tank. The resignation from the Treasury of minister **Henry Rotich** and permanent secretary **Kamau Thugge** on unlikely corruption allegations in mid-2018 saw the exit of the last two of a respected team of economists, statisticians and planners associated with the Kibaki years of rapid growth with a declining debt burden (AC Vol 60 No 15). Their advice against some key decisions of Kenyatta's Jubilee government – such as interest rate capping, selective tax remissions, and borrowing – was, in any case, routinely dismissed (AC Vol 57 No 18).

Some claim that economic policy-making now emanates from outside government – from Kenyatta's friends in the banking sector, and international business consultancy firms like McKinsey who are associated with the Big Four Agenda with its ambitious programmes financed by borrowing (AC Vol 59 No 5). The names often mentioned include Equity Bank's **James Mwangi**, businessman **Chris Kirubi**, National Chamber of Commerce and

Industry Chairman, **Richard Ngatia**, Deputy Chief of Staff **Njee Muturi**, advertising tycoon **Stanley Kinyanjui**, and the president's brother **Muhoho ('MK') Kenyatta**.

Outside the Treasury, top securocrats such as Interior Minister **Fred Matiang'i**, his principal secretary **Karanja Kibicho**, and State House advisor **Ruth Kagia** urge the president on in accomplishing a legacy of big projects and the Building Bridges Initiative (BBI). All this is made to look respectable to the public by young, mostly Kikuyu, courtiers at State House posing as economic policy experts in the print and electronic media but with more flair than substance.

Explaining Kenya's response to the DSSI, Yatani's proposals sounded closer to those of the businessmen, courtiers and soi-disant experts. Kenya, he argues, will not defer debt payment over the grace period proposed by the DSSI because it will hurt its international credit rating, even though the outlook of the government's bonds is already classified as negative by Moody's, S&P, and Fitch.

'Kenya needs to access international capital markets,' he says, presumably to pay for the Big Four projects. Acceding to DSSI, as **Uganda**, **Tanzania**, and **Burundi** have done, would close that route and DSSI would require the funds saved from non-payment of debt to be turned over to health and poverty alleviation under IMF supervision, at a time when the government has other priorities. In taking the DSSI route, Yatani says, 'we fear we might unnecessarily create a crisis'. But panic has already set in. As a result of US dollar scarcity (driven by lower export and tourism earnings and debt-servicing needs), the Kenyan shilling has hit a record low against the US dollar. Yatani has said nothing about rescheduling the commercial segment of the external debt, 34% of the total, presumably

because the government intends to go back to the same sources for credit.

Furthermore, the government's strategy to negotiate with the creditor nations separately suffered a major blow from the mid-October announcement by the G-20 extending the DSSI until July 2021. In his talks over debt relief with the embassies of **Germany**, **Sweden**, **Japan** and **France**, Yatani was politely told that their governments would not consider any new proposals as long as the DSSI was on offer and so Kenya would have to wait until December. That wait will now be extended until mid-2021. China was even more emphatic about complying with the DSSI, saying its hands for extra debt relief arrangements are tied by laws back in Beijing. The Chinese embassy also knows that Kenya's commercial bankers and courtiers are hoping for more Chinese credit to fund Kenyatta's legacy projects.

DISPLEASED DONORS

Western bilateral donors and the Bretton Woods institutions are not amused by any of this. Kenya seems to be banking on debt reduction from low-interest and long maturity loan providers like Sweden and Germany to offset the crunch brought by expensive international commercial and Chinese loans. Chinese and commercial lenders hold 55% of Kenya's foreign debt between them.

Undeterred, President Kenyatta addressed the new line-up of parliamentary committee chairpersons (Jubilee, Orange Democratic Movement and Kenya African National Union) at State House on 17 October, saying their diversity was evidence he had accomplished national unity in the legislature. They were urged to now support the BBI and the Big Four. Parliament's approval for additional borrowing will soon be sent to them from the Treasury. ●

ZAMBIA

New debt shock for Zesco

A local company takes the state power utility to court as bondholders postpone a vote on the government's request for debt relief

The operator of the country's only coal-fired power station, Maamba Collieries Ltd, has opened arbitration proceedings with Zambia's state-owned electricity utility Zesco to recover US\$300 million it is owed for electricity supplied to the grid, *Africa*

Confidential has learned. A judgement in MCL's favour could eventually force the liquidation of Zesco assets to meet the bill and cause other debt dominos to fall, further increasing the already high risk of sovereign default (AC Vol 61 No 10). Zesco's debts are guaranteed by the

state. Public finances already cannot meet the bond coupon payments, making it unlikely that the state can bail out Zesco (see box).

The news of the arbitration proceedings came just as holders of Zambia's \$3 billion in bonds met on 20 October to consider its plea for a six-month standstill in coupon payments (AC Vol 61 No 20). There was no quorum so the decision will now be taken on 13 November, one day before the 30-day grace period on the bond payments ends. Many not in favour of the deal simply abstained, say sources. The reprieve gives the government more time in which to improve its case

for the standstill by offering evidence it is tackling key concerns such as Chinese debt and mending fences with the International Monetary Fund (IMF).

The bondholders were unconvinced by the presentation Lusaka made to back the request for delay. Instead of winning their confidence and sympathy, it confirmed their belief that Lusaka was guilty of gross financial mismanagement, one of them told *Africa Confidential*. It was this, not Covid-19, as the government claims, that is to blame for the current credit squeeze, the source said.

Zambia has admitted that it cannot maintain payments on its Eurobonds or the bulk of its other external debt, raising the prospect of its de facto default becoming a formal one on 14 November. On 14 October Zambia missed a \$42.5m interest payment on the \$1bn Eurobond due in 2024, the Treasury having stated the day before that it would be defaulting on all commercial loans, including Eurobonds, if creditors did not agree to its earlier demand for the standstill.

Two further Eurobond coupons fall due on 20 January and 20 March, making a total – including the missed \$42.5m payment – of about \$120m. Zambia says it would use that six-month deferral to work out a plan with its advisors, Lazard Freres, and the IMF to make the debt sustainable. But bondholders doubt this can be done, and previous claims by Lusaka about co-operation with the IMF have proved exaggerated.

Zambian officials have produced an analysis of its debt sustainability, but without IMF help. Treasury sources say they are keeping it quiet because the outlook is so dire.

Finance Minister **Bwalya Ng'andu** previously promised to reduce the \$7bn disbursement 'pipeline' of previously agreed loans by \$5bn, but we understand the cut may amount to \$1.3bn or less.

MYSTERY CREDITOR

The bondholders were briefed on Zambia's debt position on 22 September when Lusaka made its plea for the standstill on payments. The bondholders were shocked to find that \$575m in unexplained new debt – not related to China or its companies' projects – was incurred in December 2019 and January this year. Lusaka refused to name the new creditors when answering bondholder questions on 7 October and instead only provided a breakdown of which amounts were on commercial terms and which on non-commercial terms. It lumped the loans together with Chinese loan disbursements made

POWER ASSETS IN DANGER

State electricity supplier Zesco's assets are in danger of being liquidated to pay a debt of US\$300 million to Maamba Collieries Ltd for electricity supplied by its coal-fired power station, which is integrated with a coal mine. MCL invoked clauses in its contracts to force arbitration over the debt, which will take place in London after communications were made in the middle of this year. Zesco is expected to respond in the next three weeks.

MCL believes the court will favour it in the case, as it is a simple debt from a failure to pay for a service. The hearings will take place 'soon', a source said, although Zesco will want to draw out the case as long as possible. Typically, arbitration cases take a long time, and a judgment is unlikely until after the election next August.

Unless conditions improve radically for Zambia while the arbitration proceeds, the repercussions for Zesco and the government could be disastrous. A default by Zesco could trigger cross-default provisions for other Zesco loans, meaning lenders could accelerate loan repayments – which neither Zesco nor the government can pay. If Zesco cannot meet the arbitration court's award, MCL could seize Zesco assets to get its money.

This could worry major **Chinese** lenders including the Export-Import Bank of China and the Industrial and Commercial Bank of China (ICBC), which together lent \$1.7 billion for the Kafue Gorge Lower Hydropower project. The loan is ring-fenced and insured, however, and the asset could not be touched if Zesco remains a going concern. Although the Eurobond and the Zesco debts are separate, both place demands on the Treasury that it cannot meet.

Zesco's crisis comes after years of the government keeping electricity prices low to boost the Patriotic Front's electoral prospects. Lenders and international financial institutions, such as the African Development Bank, have pleaded with Zesco to cut a workforce which critics have called a 'welfare system' used to provide unproductive employment. Zesco also, PF sources said, employs PF cadres in order to finance their and the party's work. This makes them effectively 'ghost' workers inflating the wages bill while contributing nothing to the company. The AfDB in particular has been urging reform of Zesco's employment policy. ●

during the same period to conceal – so the bondholders believe – the identity of the new creditors.

The government has become cagey about details of its debt. Annual Economic Reports now only reveal the total contracted each year by lender without referencing individual projects, which was the norm prior to 2018. AERs earlier than 2019 have been removed from the finance ministry website.

The 2019 AER shows \$617m in 'supplier credits' in the table of loans contracted. No such reference appears in any of the previous AERs seen by *Africa Confidential* and it is unclear who the creditors are.

Part of that sum may have come from Chinese dam-builder Sinohydro, which funded at least \$400m of the Kafue Gorge Lower Hydropower project – a 750 MW power station now nearing completion – while Zesco was still trying to secure financing, a lawyer familiar with the figures said.

The government presentation to bondholders also admitted that arrears worth \$1.29bn were owed by parastatals, mainly Zesco, to domestic creditors. This huge sum seems not to have been included in Zambia's public debt and should be, Standard Bank said in a memo on 13 October which *Africa Confidential* has seen.

While other countries such as Angola have succeeded in requesting Chinese banks to have commercial loans included in the Group of 20 Debt Service Suspension Initiative (DSSI), Zambia has failed to do so, leaving arrears piling up – in particular to China's Exim Bank (AC Vol 61 No 15).

PRIORITIES

The Treasury said in its statement of 13 October that it would only continue to pay foreign currency denominated debt for a few 'priority projects' without detailing which. Until a few days ago Zambia was at least three months in arrears on its debt payments to the World Bank, *Africa Confidential* understands, which could have triggered a halt in funding for World Bank projects.

But Zambia cleared the debt to the World Bank just before it missed the Eurobond payment. This indicates that a policy of prioritising Eurobond payments was abandoned because of the magnitude of the sums due. Stalling World Bank social projects would damage the ruling Patriotic Front in next year's election because these projects have high profiles and affect large numbers of Zambians, while Eurobond defaults can be spun as government defiance of greedy bankers unwilling to fund Covid relief. ●

SOUTH AFRICA

A change of tone

President Ramaphosa has made a renewed commitment to review public ownership and plot out a major role for the private sector

After a decade of corruption, economic decline and a crippling pandemic, President **Cyril Ramaphosa** has unveiled his Economic Reconstruction and Recovery Plan, which does not go as far as his expert advisory panel recommended but far enough to make his promised economic reforms irreversible, economists say.

The plan involves the unbundling, restructuring or sale of debt-crippled state companies responsible for energy, rail services, the armaments industry and transport, which are the major drain on public finances in a battered economy (AC Vol 61 No 20).

Ramaphosa has used the economic devastation of the pandemic to his political advantage by marginalising the opposition in the ranks of the ruling African National Congress and thus transformed the political narrative, insiders say. 'By the end of his first term in 2024 the reform process will be a fait accompli,' one observer said.

The ANC faction loyal to former President **Jacob Zuma** has been pushing for radical, business-hostile reforms such as the nationalisation of the central bank, the South African Reserve Bank, a national health insurance scheme, proscribed assets, a basic income grant and land expropriation without compensation (AC Vol 60 Nos 12 & 21).

Apart from the land expropriation legislation, which is a work-in-progress but does not represent any major departures from the status quo, the other reforms appear to be on the backburner due to the economic crisis.

The mass employment scheme based on a national minimum wage has been favoured over the income grant and the private sector will be invited to partner on infrastructure projects rather than being forced to.

Finance Minister **Tito Mboweni's** discussion paper of a year ago – which indicated major cuts in the public service and said privatisation of some state-owned enterprises was essential for a sustainable economic recovery – has gradually shifted into the mainstream (AC Vol 61 Nos 5 & 13).

'Mboweni's Operation Vulindlela [as his plan is known] paved the way for what is now becoming government policy,' said an insider. 'Ramaphosa is a process man through and through.

Mboweni is the leader of his shock troops.'

Mboweni is expected to disclose details of the restructuring of state-owned enterprises in his eagerly awaited mid-term budget on 28 October.

Analysts say that the maverick Mboweni could bow out as finance minister after the February budget to make way for a reshuffle which could see Justice Minister **Ronald Lamola** promoted to a top job while deputy Public Enterprises minister **Phumulo Masualle** could also be in line for promotion (AC Vol 61 No 8). Ramaphosa may have to redeploy Mineral Resources and Energy Minister **Gwede Mantashe** if he is to achieve his timelines and targets in the energy sector.

PRESIDENT'S MEN

The President's office is likely to take control of the energy reforms which are now seen as the primary driver of the economic recovery, we understand. This could suggest a special role in the Presidency for either Mboweni or Public Enterprises Minister **Pravin Gordhan**.

Mantashe, who is ANC chair, has been seen as responsible for the delays in the inclusion of renewable energy resources and independent power producers in the national grid, which trade unions have seen as a threat.

If Mboweni is the leader of Ramaphosa's shock troops, then **Andre de Ruyter**, the chief executive office of the electricity utility Eskom appointed by the president at Mboweni's recommendation, is in operational charge of the battle plan to turn the economy around and pull Eskom and the country out of debt (AC Vol 60 No 24).

The day after Ramaphosa unveiled his plan, participants in a webinar addressed by De Ruyter and Gordhan presented a picture of a radically transformed Eskom with an independent transmission unit operating as a public-preference partnership at its core.

De Ruyter made it clear that Eskom in its present form had come to the end of the road and a new formula would have to be found. The presence of Gordhan was seen as an indication that these plans have the backing of the government. De Ruyter emphasised that major investment in South Africa's

future energy plans would only follow in the wake of restructuring Eskom.

Multilateral finance could go a long way towards solving the debt trap problem if South Africa made a clear commitment to phasing out coal as an energy source and stepping up its renewables programme (AC Vol 60 No 20). We hear that the Independent Transmission System and Market Operator could be unbundled from the holding company as early as March next year.

A separate subsidiary could be in place by December 2021, despite a mountain of regulatory and legislative red tape that must precede it. De Ruyter hinted at a fully independent entity by the end of 2022 but many regard this timeframe as unrealistic.

They also see as unachievable Ramaphosa's plan to add 11,800 megawatts of new generating capacity to the system by 2022, mostly from renewable sources.

'We are accelerating the implementation of the Integrated Resource Plan to provide a substantial increase in the contribution of renewable energy sources, battery storage and gas technology,' Ramaphosa said.

He said that the finalisation of a long-term solution to Eskom's 488 billion rand (US\$29.3bn) debt was in progress and would be agreed with business and labour, the ANC's social partners who meet regularly in the National Economic Development and Labour Council (Nedlac), under the recently agreed Social Compact on Energy Security.

'The work of restructuring Eskom into separate entities for generation, transmission and distribution continues and will enhance competition and ensure the sustainability of independent power producers going forward,' Ramaphosa said. The break-up of the electricity behemoth Eskom into three parts was taboo up to now due to trade union and South African Communist Party resistance.

Other key elements of his plan include a R6bn (\$365m) mass employment scheme creating more than a million jobs, the extension of the pandemic relief scheme for a further three months to the end of January, and an accelerated R1 trillion (\$59bn) infrastructure programme which gives preference to local businesses.

Ramaphosa also appears to have placated labour by including them in a massive 'buy local' campaign in the run-up to Christmas.

Ahead of the plan, the President's Economic Advisory Council, made up of a panel of experts including academics, economists and a former central bank

governor, warned that further budget cuts would inflict severe damage on essential services such as health, education and law enforcement.

The Council also urged a 30% increase in pandemic relief and special relief for businesses that were viable before the pandemic. It urged that the transition from coal to renewables be accelerated to unleash global finance.

And it pushed for the generation of 5,000-6,000 MW of new annual

electricity capacity to attract R500bn (\$30.3bn) a year in investment and create 50,000 jobs.

Market reactions were mixed.

'There are positive elements in President Ramaphosa's plan,' said **Busisiwe Mavuso**, head of Business Leadership South Africa, which represents the country's top 150 companies.

'But it must be seen as more of a starting point,' she said, adding that it

was lacking in specifics and some goals were unrealistic. She welcomed the energy, infrastructure, mass employment plans and industrial growth plans which removed barriers to entry.

She reserved special praise for the issuing of mining, water and environmental licences and for the commitment to finalise the long-delayed Petroleum Resources Development Bill to unlock 'enormous' untapped potential in upstream oil and gas reserves. ●

TANZANIA/UGANDA

Seeking a pipeline poll boost

Election worries and weak oil prices persuaded Uganda's President to make concessions on the oil export pipeline via Tanzania

East Africa's leading resource nationalists – presidents **Yoweri Museveni** and **John Magufuli** – have signed one of Africa's biggest oil pipeline deals as they campaign fiercely in national elections. Magufuli will face the voters on 28 October, Museveni on 18 February next year.

Both leaders are stepping up the crackdown on their opponents (see box) and want to use the US\$3.5 billion pipeline and other energy projects to prove they are bringing jobs and development at a time of deepening economic recession. Museveni says investments in the pipeline will exceed \$16bn over the project's lifetime, and Uganda will start earning revenue from oil exports in 2024. Uganda has reserves of over six billion barrels of oil.

It was the pandemic-related recession, in part, that forced Museveni to sign a deal with **France's Total** on the pipeline that he had earlier rejected. Total's bargaining position was strengthened by weaker oil prices along with Uganda's failure to convince its other partner, the China National Offshore Oil Corporation (CNOOC), to take the lead in the project.

Museveni, who envisions Uganda becoming the leading supplier of petroleum products to the East African region, espouses resource nationalism. Magufuli, 15 years younger and in power for a mere five years compared to Museveni's 34, is emulating the Ugandan leader's economic strategy. As 1,115 kilometres of the 1,445 km pipeline are in Tanzania, Magufuli says his country will split the operating profits 60-40 with Uganda.

Magufuli's earlier tough tactics with foreign investors yielded some concessions from gold-mining companies but since the pandemic's

economic effects have worked through the system, mining and oil companies are driving much harder bargains (AC Vol 58 No 15).

Total is due to make its final investment decision on the pipeline before the end of December, according to Total CEO **Patrick Pouyanné**. Museveni met Pouyanné in mid-September to finalise the host country agreement. Pouyanné is to sign a similar accord with Tanzania after which Total will start issuing tenders for the procurement and construction work.

LONDON LAW

The terms of the deal between Uganda and Total mean it will not have to pay taxes before it recovers costs. The pipeline company will be registered in the **United Kingdom**, where any legal disputes would have to be settled. The High Court in London has been scene of multiple disputes over Ugandan oil with Heritage Oil, Tullow, and Total itself (AC Vol 54 No 13). Under the contract's terms, Kampala would be bound by court rulings in London.

The speed with which Museveni acted contrasts with last year when he was issuing ultimatums to oil companies. Two days after signing the deal with Total, Museveni was in Tanzania to meet Magufuli and co-sign another deal over the same pipeline – in spite of their different attitudes towards the coronavirus. Museveni, who has spent most of the year barricaded inside State House, wore a face covering but neither Magufuli nor his entourage did so (AC Vol 61 No 10). Tanzania is expected to sign an agreement with Total this month.

This pipeline project started in 2016 when Total convinced Museveni to opt for the route that runs from Uganda's oil deposits around Lake Albert to the

port of Tanga in Tanzania, instead of transiting Kenya (AC Vol 57 No 21).

But little initial progress was made because President Museveni and his technocrats were holding out for improved terms from Total.

The call for a better deal first came up when President Museveni and his team attended the Forum on China-Africa Cooperation summit (FOCAC) in Beijing in 2018. It was also on the agenda when Museveni visited China in June last year. On both occasions, China appeared to be in Total's corner.

At the time, Museveni and Pouyanné had fallen out and the President refused to meet the Total CEO unless he was ready to accept Uganda's demands. As the stalemate worsened, Total and CNOOC were forced to suspend all work on the project.

Then, in August last year, Total and Tullow terminated a deal in which Tullow sought to sell part of its assets to Total for \$900m. The deal, first announced in 2017, collapsed over tax treatment disagreements.

Of the \$900m, the Ugandan authorities wanted \$167m in capital gains tax. Initially, the companies would not pay but they relented on condition that Total would not be taxed over the \$617m Tullow had already invested and which Total was now acquiring as part of the \$900m purchase. The Ugandan authorities declined and the sale plan collapsed (AC Vol 58 No 25).

With financial pressures mounting on Tullow, it announced another deal with Total early this year. This time, Tullow offered to sell its 33.3% stake in Uganda's oil fields for only \$575m, of which Uganda stood to get only a few million dollars. Amid these new realities, Museveni tasked his technocrats to ensure the deal with Total happened, leaving the resource nationalists at the country's petroleum authority, who had been at the forefront of fighting Total, to give in to the company's demands.

With work due to start on the pipeline early next year, human rights and environmental groups warn the project could displace some 12,000 families and damage sensitive eco-

ELECTION CHALLENGERS FACE PRESIDENTIAL WRATH

When security forces raided the campaign headquarters of presidential candidate **Robert Kyagulanyi Ssentamu** aka **Bobi Wine** in Kampala on 14 October, it was just another attempt by the Ugandan government to push him out of contention. Bobi Wine's organisation says officers seemed to be looking for compromising documents, or information about members and supporters.

In Tanzania, the biggest opposition parties have been trying to agree on a single candidate to stand against President **John Magufuli** in elections on 28 October. **Tundu Lissu**, presidential candidate for the *Chama Cha Demokrasia na Maendeleo* (Chadema) opposition party, has been barred from campaigning for a week by the electoral commission after he suggested Magufuli would rig the vote. Lissu, who survived an assassination attempt in 2017, returned to Tanzania in July after a stint in exile (AC Vol 61 No 15).

Tens of opposition candidates have been judged ineligible to run in the elections by Tanzania's electoral commission. And the commission says the proposed electoral alliance between Chadema and the Alliance for Change and Transparency (ACT)-Wazalendo breaches the rules because it should have been announced at least three months before the elections. Leader of ACT-Wazalendo and hard-hitting critic of the government **Zitto Kabwe** was injured in a serious car accident earlier this month.

Few doubt that Magufuli will cruise to victory in this month's elections although many in his party are unenthusiastic about him extending his tenure beyond the next five years. The outcome in Uganda could prove much messier next year. Most voters there are under 30; many of the restive unemployed back Bobi Wine, the 38-year-old pop star-turned-politician (AC Vol 61 No 19).

To counter Bobi Wine's campaign, President **Yoweri Museveni** has been pouring money into youth groups and offering gifts, including US\$8 million worth of bicycles for village leaders across the country. Museveni's campaign spending in 2021 will dwarf that in previous elections. If all else fails, the government may find a way of disqualifying Bobi Wine from standing. This would be a last resort given the anger it would unleash on the streets.

Launching the grand plan for a national oil industry may woo voters too young to remember the years of chaos and civil war which Museveni claims to have ended after taking power in 1986 as head of a guerrilla force and which he constantly refers to. Museveni's technocrats say the billions released in the oil industry launch will be transformative. Commercial quantities of oil were first discovered in 2006.

Ahead of work starting on the pipeline and associated oil production, Museveni has relaxed many of the pandemic-related restrictions to try to restart the economy. Entebbe International Airport was re-opened on 1 October. Previously praised for its speedy response to the pandemic, Uganda had one of the lowest infection rates in the world but now coronavirus cases are rising. The pandemic's biggest hit has been to the economy and livelihoods. The government has also had to manage a locust invasion, extensive flooding, and the closure of the border with **Rwanda**, denying Uganda's exporters access to one of their biggest markets in the region (AC Vol 60 No 6).

This year, the economy is projected to grow between 0.4% and 1.7% compared with 5.6% in 2019, according to the World Bank. Kampala has obtained \$491m and \$300m in loans from the International Monetary Fund and World Bank to help combat the economic effects of the coronavirus. Public debt has grown by 20.5% since June 2019, according to the IMF, to \$15.3 billion or 40.8% of gross domestic product. Although the central bank rejects opposition claims that the country risks debt distress in the near future, it concedes that the economy faces 'significant vulnerabilities'. ●

systems around Lake Albert, one of Africa's biggest sources of fresh water.

Along with concerns about the environmental effects of the pipeline, communities near the oil-producing

areas are demanding their share of the revenues, as well as jobs, from what they say is the opaque management of the project. Although the commissioning of the pipeline, with its promise of future

riches, could give Museveni and the ruling National Resistance Movement a filip ahead of the elections, it could trigger yet more opposition if local people see little benefit from it. ●

SIERRA LEONE

Koroma probe risks backlash

The government hopes a stand on corruption will win votes, but the opposition is set on making the cost of prosecutions too high

In what government supporters see as a watershed moment and critics say is a precursor to civil unrest, formal corruption investigations have opened against former President **Ernest Bai Koroma**. He is now immured in his home in the All People's Congress stronghold of Makeni as party youths deny investigators access to him to conduct interviews. Koroma's APC has denounced the investigation as politically motivated and unjust, but President **Julius Maada Bio** is staking his reputation on seeing through

a key election campaign promise he made in 2018.

A travel ban has been imposed on Koroma and 111 others who served in his administration who are named in the government White Paper that followed hearings and reports by three judicial inquiries into corruption during his two terms of office (AC Vol 60 No 7).

The stand-off in Makeni followed a climbdown by the Anti-Corruption Commission, which originally summoned the former president, who is also chair of the APC, to its Freetown

headquarters to answer questions. At the request of Koroma's lawyers the ACC agreed to move the questioning to Makeni, according to *Africa Confidential's* sources.

Citing the wide-ranging and complex nature of the issues in the notice issued to Koroma, his lawyers had pleaded for extra time to prepare and 'respond adequately'. The ACC's agreement to postpone questioning by three days unleashed a storm of criticism on social media of ACC chair **Francis Ben Kaifala**.

President Bio is in no mood to compromise, having promised to 'fully implement' the recommendations of the reports that were delivered to him at the end of last month.

The investigation into the former president includes alleged money-laundering, a contract with a **Chinese** mining company, Xin Lin, the controversial procurement of

100 buses from China for transport in Freetown, the award of a contract for the construction by the National Social Security and Insurance Trust of a modern market in central Freetown, and the former president's acquisition of a number of houses in Freetown and Makeni when he was head of state (AC Vol 52 No 23).

The White Paper accepts a wide range of recommendations made by the investigation panels which include returning to the state assets worth more than \$200 million deemed to have been corruptly acquired. President Bio publicly instructed the government's law officers to seek full redress, including the confiscation of assets. The accused include former ministers and deputy ministers, heads of parastatals and some civil servants.

Many of the houses marked for forfeiture are in Makeni, which was the bastion of the Koroma administration. It is an open secret that many big houses were built there by public officials during Koroma's 10 years in office. The northern town is a fortress for the APC, of which Koroma is still chairman and leader, nearly three years after it chose **Samura Kamara** as its presidential candidate in the 2018 presidential polls (AC Vol 59 No 13).

Makeni's loyalty to the APC is founded on pork barrel politics as well as party organising. The hitherto sleepy town was transformed when Koroma constructed tarmac roads and ensured non-stop electricity supply

in a country where power cuts are frequent. Supporters of the man and the party are determined to resist any move against him.

In July, youths resisted the temporary transfer of a 1.65 megawatt stand-by electricity-generator to power Lungi International Airport, in neighbouring Port Loko District, mounting roadblocks, setting tyres ablaze and attacking buildings, prompting disturbances in which police shot dead five people.

The APC has dismissed the commission reports and the White Paper as unconstitutional and based only on the Government Transition Team report, which they say is highly partial. They have vowed to challenge it in court, saying the rules governing the conduct of the commissions of inquiry should have been published before they started. The Office of the Attorney General denies this was necessary, insisting the rules were already in place.

President Bio received the White Paper and the inquiry reports in the garden of State House with much fanfare on 24 September. 'Citizens are reminded also that they must actively but fairly question errant leaders. It is your civic duty to question unexplained wealth,' he said.

While promising the punishment of crimes committed under Koroma's administration, the President took pains to warn those serving in his own to steer clear of corruption. Asked whether he thought they were paying

heed to his warning, the President said, 'I keep re-emphasising that we are going to account one day... I will keep reminding them... It is difficult to tell at this point in time [whether they are listening]' (AC Vol 59 No 19).

The President is aware of the political damage he suffers from perceptions that corruption continues unabated, but with the ruling Sierra Leone People's Party benefitting instead of the APC. Many members of the present administration are known to have built houses during Bio's two years in office which clearly do not match their salaries. Under the country's Anti-Corruption Act, 'illicit enrichment' and 'unexplained wealth' are criminal offences.

A recent Afrobarometer survey says '66% [of respondents] gave the government good marks on fighting corruption'. The general impression is that President Bio is talking the talk against graft. Whether those serving in his administration are walking the walk is less clear.

One of the actions he took following the publication of the White Paper was to suspend his Minister of Agriculture, **Dennis Vandy**, and all the civil servants named in the report, pending appeals. This has boosted public confidence in his determination to fight corruption. It could earn him huge political dividends, because of the ubiquity of corruption and the general acknowledgement it is the country's biggest problem since it became independent. ●

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POINTERS

Côte d'Ivoire

NO CONTEST POLL FOR OUATTARA

■ With no sign of President **Alassane Ouattara** or his major opponents considering meaningful compromise over the 31 October election, tensions have taken on a dangerously inter-communal tinge.

Five people were reported killed in Bongouanou – home base of *Front Populaire Ivoirien* (FPI) leader **Pascal Affi N'Guessan** – in clashes between his supporters in the local Agni community and those from the Diola, a northern ethnic group who back Ouattara.

Affi and the *Parti démocratique de la Côte d'Ivoire* candidate, the former President **Henri Konan Bédié**, have decided to boycott the poll. They want Ouattara to abandon his bid for a third term and instigate an overhaul of the constitutional council and the electoral commission to ensure their neutrality before a postponed presidential poll is held (AC Vol 61 No 17).

But Ouattara is set on his course. He calls for 'national cohesion' and offers talks, but not on the issues in contention.

Ghanaian Foreign Minister **Shirley Ayorkor Botchway**, chair of the Economic Community of West African States (Ecowas) council of ministers, has made a second mediation visit to Abidjan.

Botchway this week gave that strategy a degree of oblique comfort, telling protestors, 'We are in a democracy and if the people want to express their view they should do so through the ballot box' – words that will hardly dispel Ecowas's spreading regional reputation as a rather too cosy incumbents' club (AC Vol 61 No 16).

Guinea

DIALLO JUMPS THE GUN

■ Three-time presidential challenger **Cellou Dalein Diallo** decided on 19 October that the best way to respond to the almost certain victory at the polls of the incumbent, **Alpha Condé**, was to declare himself the winner before the count was over. Condé is seeking a highly controversial third term of office.

The electoral commission condemned the statement immediately and the ruling *Rassemblement du peuple de Guinée* called it 'irresponsible and dangerous'.

Riots broke out in Conakry and in the nearby army camp of Kindia, where soldiers had mutinied 48 hours before the polls opened over a matter apparently not related to the election. Four people were reported shot dead by security

forces in the hours that followed. A house belonging to **Sidya Touré**, another former opposition leader, who did not participate in this contest, was reportedly attacked by unknown assailants.

The elections themselves were peaceful with a good turnout reported, but Guinea has a history of peaceful elections bookended by bouts of serious violence, especially when the results declaration draws near.

Reports of vote-rigging and ballot-stuffing in Condé strongholds, notably Mandiana prefecture in Haute Guinée, will stoke tensions. The news website *Guinématin*, which had started carrying the results in real time, was blocked by the *Haute Autorité de la Communication*, the media regulator, which, like the electoral commission, is regarded as pro-Condé. The internet was not disrupted, as it was during polls in March (AC Vol 61 Nos 5 & 7).

Twelve candidates took part, including parliamentarian **Ibrahima Abé Sylla**, Condé's former campaign director **Makalé Traoré**, and the banker and veteran politician **Ousmane Kaba**, an advisor to Condé during his first term. Both Traoré and Kaba are expected to take votes off Condé, which could necessitate a second round.

Mali

JIHADISTS TRADE UP

■ The deal that saw *Jama'a Nusrat ul Islam wa al Muslimin* (JNIM), the Malian branch of *Al Qaida* led by **Iyad ag Ghaly**, exchange four hostages for 204 presumed jihadists, has thrown up more questions than answers. Alongside the three long-detained **French** and **Italian** hostages stood **Soumaïla Cissé**, the leader of the parliamentary opposition (AC Vol 61 No 17). Cissé was abducted while campaigning for the legislative elections in March.

Who brokered the deal isn't clear. The head of Mali's hostage crisis centre, former Prime Minister **Ousmane Issoufi Maïga**, the only high-ranking government official to keep his job after August's coup, thanked Mali's security and intelligence services, international partners and 'volunteers'. That may have been a reference to **Chérif Ould Tahar**, a former jihadist in Gao who was said to have been appointed chief negotiator by ex-Prime Minister **Boubou Cissé**. Where that would have left Maïga and what qualified Tahar for the job is unknown. Meanwhile, French Defence Minister **Florence Parly** and armed forces head **François Lecointre** took care to deny Paris's involvement.

It then emerged that JNIM had got at least €10 million. Both France and Italy have unacknowledged track records of paying ransoms to Islamist militias,

though some Malian sources claim that the new interim government wrote the cheque for Cissé.

Cissé's appearance on French television the day after his release, looking rather well-fed and healthy for someone who had just spent six months in a desert dungeon, also raised eyebrows. The release of two of the 204 freed men has particularly alarmed Mali's neighbours. **Mauritania-born Fawaz Ould Ahmed** was captured in 2016 and was involved in deadly attacks on hotels in **Burkina Faso** and Mali. Malian **Mimi Ould Baba Ould Cheick** is wanted in the **United States** for the murder of an American during a Ouagadougou attack and is said to be the architect of the Grand Bassam massacre in **Côte d'Ivoire** in 2016 (AC Vol 57 No 6).

Mozambique

FRELIMO FLOUNDERS IN NORTH

■ The insurgents in Cabo Delgado retain the initiative, having attacked a village in **Tanzania** and reportedly destroyed a Tanzania People's Defence Force armoured personnel carrier on 14 October. Twenty-two people, including three soldiers, were said to have been killed. Promises of help have come from the European Union, **France** and **Portugal**, but government forces are still on the back foot, and the district capital and port of Mocimboa da Praia is still in rebel hands after two months.

While the *Forças Armadas de Defesa de Moçambique* troops have retaken an insurgent base at Cagembe in Quissanga, Maputo's successes have mainly been verbal, with reports from Mueda of a group of FADM veterans killing 270 insurgents and extravagant rebel casualties claimed in other clashes receiving little credibility. Meanwhile, the private military contractor Dyck Advisory Group's helicopter gunships and light ground attack aircraft provides vital support to government forces.

The guerrillas have been moving closer to Palma and the liquefied natural gas site on the Afungi peninsula, as well as Macomia, clearing out communities, and even giving transport money to those who cannot afford to leave. This suggests they are building up food stocks for the coming rains, when government attempts to regain the initiative will increase in difficulty.

President **Filipe Nyusi's** grip on the problem has come increasingly into question from northern, Makonde sections of the FADM and the ruling *Frente de Libertação de Moçambique* (Frelimo) who never had a high opinion of him as defence minister and, we hear, are content to see him swamped by the security problems, regardless of the high cost.

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BLUE LINES

For listeners across Africa, United States President Donald Trump's dawn broadcast asserting that he had won the 3 November election and ordering vote counting to stop had a surreal if not unfamiliar quality. Analysts at the Brussels-based Crisis Group have already announced they will monitor the risks of political violence in the US, given the deep polarisation of politics there, rampant hate speech on social media together with armed non-state actors and militias, such as the Boogaloo Movement and the Proud Boys.

Others are trying to divine what the outcome of the US Presidential elections would mean for Washington's foreign policy. Should Trump retain the presidency, no one expects he would relent on his core aims: trade war with China, and exit from the Paris climate accord and the World Health Organisation. He would keep strong ties to Egypt, Israel and Saudi Arabia and would continue to veto Nigeria's Ngozi Okonjo-Iweala as the next director general of the World Trade Organisation despite her majority support among members.

Challenger Joe Biden's policy would be close to a mirror image: he would immediately re-join the climate accord and the WHO, and quickly end the block on Okonjo-Iweala. Two of the contenders in the frame to be Biden's Secretary of State, former Ambassador to the UN Susan Rice and Democratic Senator Chris Coons, have extensive Africa experience. But as the electoral disputes rumble in Washington, new diplomatic appointments are some way off.

TANZANIA

Bulldozing to victory

The President has carried out a crude electoral coup and reduced the opposition to a token presence in parliament

After an election campaign dubbed the least free since multiparty democracy began in 1995, President **John Magufuli** won his second term of office with the biggest majority since then, 84%. The victory of the ruling party, *Chama Cha Mapinduzi* (CCM), in the 28 October poll was facilitated by party capture of the electoral commission, refusals of nominations of opposition candidates at all levels, arrests of rival party members and police violence against rallies and individuals (AC Vol 61 No 18).

The mass media were cowed by prosecutions and suspensions of licences and election observers by legislation outlawing digital activity around the counts. There were blackouts of the internet as well as censorship of digital mobile phone communications such as WhatsApp.

Once able to tolerate a small but vocal opposition, the CCM's higher echelons decided even this was too much, and have set out on a policy of re-establishing a one-party state where dissent is treated as treason or terrorism. Magufuli cheerfully shrugs off all criticism, local and – especially – international (AC Vol 59 No 7).

In Zanzibar, the CCM's President **Hussein Ali Mwinyi** won an equally contested poll. The nature of the victories in Zanzibar and on the mainland show the lengths to which CCM is prepared to go to retain power.

Its manipulation of the elections, which included parliamentary and municipal polls, presents constitutional challenges to East Africa's largest state,

with unpredictable consequences for politics, the economy, and rule of law (AC Vol 61 No 19).

UNRECOGNISABLE

In the parliamentary elections, CCM took all but two of the 264 directly elected seats. In Zanzibar, President Mwinyi achieved an unprecedented, and frankly incredible, 76% of the vote in an entity that is split down the middle, and held by CCM only through control of the electoral commission. Opposition parties *Chama cha Demokrasia na Maendeleo* (Chadema) and Alliance for Change and Transparency-Wazalendo do not recognise the results and will not be taking up seats at any level, council or parliamentary, on the mainland or Zanzibar.

Following a call for demonstrations on 2 November, Chadema chairman **Freeman Mbowe** and former Member of Parliament for Arusha **Godbless Lema** were arrested on terrorism charges, under which they cannot apply for bail. Later the same day the Chadema presidential candidate, **Tundu Lissu**, who was shot multiple times in September 2017 by gunmen believed to be intelligence officers, was also arrested (AC Vol 58 No 20). Officially, Lissu received 13% of the vote. ACT-Wazalendo leader **Zitto Kabwe** went to visit the detained opposition leaders at the Central Police Station in Dar es Salaam and was promptly arrested. He was charged with organising unlawful protests and released on bail.

The CCM has used every available tactic to solidify its position. Political rallies were banned in June 2016 on President

NIGERIA	2	GHANA	3	SOUTH AFRICA	5	AFRICA/ECONOMY	6	GUINEA	8
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Determined to use protests for their own ends, secuocrats have reasserted their role		Against a grim backdrop of pandemic economics, voters are uninspired by next month's polls		The medium-term budget policy statement is seen by some as a fudge		Africa may have dodged the Covid-19 bullet but most of the economies are in intensive care		CONGO-K	10
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Magufuli's orders. Opposition activists have been arrested, kidnapped, and shot. During the polls, the opposition presented credible evidence from across the country of prepared ballots being taken to polling stations, and opposition party agents being prevented from entering polling stations.

Unbelievable results include the outcome in Dar es Salaam's Kawe constituency, where evangelical preacher Bishop **Josephat Gwajima** won with almost 195,000 votes to 32,524 for the Chadema incumbent **Halima Mdee**. Gwajima was imposed as a candidate by CCM chairman Magufuli after the local party rejected him. He has insulted both Catholics and Muslims in the past five years, and has a widely shared and easily accessible sex tape in his recent record.

In Zanzibar, armed troops were on the streets in the run-up to polling day. On the eve of the election the police shot dead 10 people in response

to stone throwing. In the wake of ACT-Wazalendo presidential candidate **Maalim Seif Sharif Hamad** rejecting the poll and calling for demonstrations the day after the election, urban areas in Pemba and Unguja were swamped by armed irregulars with masked faces enforcing an unannounced curfew. Following the arrest of the ACT-Wazalendo leadership that day, party official **Ismail Jussa** was badly beaten in police custody, leaving him with a broken leg and extensive bruising. At least 30 members remain in custody, including **Nassor Mazrui**, party Deputy Secretary-General, also alleged to have been badly beaten.

That demonstrations called by opposition leaders for 2 November didn't happen indicates that the CCM calibrated the election-rigging in a way that would not provoke masses of citizens to spontaneous protests. The victory leaves the party and Magufuli with a number of options.

The most obvious is constitutional change, which is made in the National Assembly, where the CCM now has the requisite two-thirds of MPs from both Mainland and Zanzibar to change the constitution and do away with term limits. This is unlikely, however.

The two-term limit allows the party to reinvent itself and present a new image to the public every 10 years, which has been a critical ingredient in it maintaining power since independence.

It is more likely that the super-majority will be used defensively. The party's hold on power is based on the considerable powers given to the presidency, including control of the National Electoral Commission. Reform of the constitution has been a demand of civil society, religious leaders, and opposition for over 10 years. Little has been heard of it during President Magufuli's first term, and things will likely remain that way.

Governance is likely to go even further into decline, as the super-majority in parliament removes the need even to pay lip service to accountability and scrutiny. Many expect badly drafted laws to follow and blind eyes to be turned to violations of the constitution. With family control of public finances – the Finance Ministry's Permanent Secretary **Dotto James** is the president's nephew – a packed house will offer little challenge to the executive. The most recent example of this was the amendments passed in June 2020 which outlaw public interest litigation, and grant immunity from prosecution to the heads of the executive, the judiciary, and the legislature.

Many feel the opposition could have done better, for example by agreeing on a joint candidate in the presidential poll more than two weeks before polling day. Without a presence in parliament, they will lose allowances and their finances be severely challenged. ●

NIGERIA**Generals tighten their grip**

Determined to use the #EndSARS protests for their own ends, the securocrats have reasserted their role at the heart of government

The Nigerian army's version of the shootings during the October protests was spelled out at a bizarre press conference in Abuja on 2 November by Attorney General **Abubakar Malami**, who said it was 'pre-emptive' to suggest that anyone had been shot at the Lekki toll gate in Lagos. Accounts and video of that confrontation on 20 October relayed around the world on social media are at the centre of a state tribunal hearing allegations of abuses by security forces.

If there was a shooting, added Malami, it was necessary to examine whether the military was involved. 'You cannot rule out the possibility of perhaps hoodlums that set in to create a scene... could equally partake of the process.'

After denying that its troops were at the Lekki toll gate on the evening of the shooting, the army now says they were deployed by Lagos state governor **Babajide Sanwo-Olu** to enforce a curfew. But it insists soldiers didn't use deadly force, contrary to the assertions of Amnesty International and local rights groups.

With the government losing more support over its response to the #EndSARS protests against police brutality, ruling party politicians want tighter controls on social media. Information Minister **Lai Mohammed** suggested 'some form of regulation' of platforms such as Twitter, Instagram and Facebook which were used to relay footage of the shootings at Lekki.

Some say the government will resurrect the Social Media Bill which was dropped this year after widespread criticism; one clause had proposed the death penalty for distributing 'fake news'.

The military and the security services launched their response last month when they added a cyber-warfare component to the annual military exercise, Operation Crocodile Smile, which was extended across the country for three months just as protests against police brutality were gaining ground in October.

Activists in the #EndSARS campaign say operatives in the State Security Service have launched a barrage of disinformation, via anonymised channels, linking protestors to violent attacks and discrediting their claims of abuse by soldiers and police.

This was just part of a picture of toxic disinformation flashing around Nigeria's social media networks, sometimes with life-threatening consequences. The pace with which fairly disciplined protests descended into looting and violence made this new opposition pause its mobilisation on the streets.

From the start of the protests, the military high command and the SSS saw youth mobilisation as a serious threat to the government because it elicited so much popular sympathy. The service chiefs, led by Army Chief of Staff Lieutenant General **Tukur Buratai**, argued for a tough response, warning that the movement could easily grow into a campaign for radical political change. They differed with several ministers who had made concessions to protestors.

We hear that Lt Gen Buratai, along with Chief of Defence Staff **Abayomi Gabriel Olonisakin** and Chief of Air Staff Air Marshal **Sadique Abubakar** (with whom Buratai has his own disputes) – all of whom were appointed as service chiefs in 2015 and have been under pressure to retire – told President **Muhammadu Buhari** that the protest movement was being backed by clandestine local and foreign forces (AC Vol 61 No 4).

This was, in part, a reference to meetings between Buhari's staffers and Western ambassadors about the deteriorating security situation in the country, especially the failure of the military to stop advances by the Islamic State West African Province in north-east Nigeria. Ambassadors spoke supportively of efforts by local politicians to persuade Buhari to retire

all the current service chiefs, including Buratai, we hear.

An Abuja insider confirmed some of the meetings before remarking: 'Anyone who thinks that advising Buhari to sack the service chiefs will get rid of them really doesn't know the man.'

The service chiefs link this pressure over their positions to what they described as a wider campaign to destabilise Nigeria and Buhari's government. They point to the campaign by militant secessionist **Nnamdi Kanu**, who pays Washington DC lobbyists Mercury Public Affairs LLC an \$85,000 monthly retainer to publish opinion pieces accusing Buhari's government of genocide against Christians and calls for US Global Magnitsky Act sanctions against 'illicit actors' in Nigeria.

For the military chiefs, Kanu and IPOB are the perfect foil. They are using his campaigning as a pretext to ramp up security as other senior officials, such as National Security Advisor Gen **Babagana Monguno** and top politicians are trying to fill the vacuum at the Presidency.

SLOWING REFORM

This year, Buhari has lost his closest confidant, Chief of Staff **Abba Kyari**, and businessman publisher **Ismaila Isa Funtua**. His nephew, former journalist **Mamman Daura**, has been in London for several weeks and former foreign

minister **Babagana Kingibe** hasn't been seen in the presidential villa for several weeks.

The initial reforming zeal shown by Ambassador **Ibrahim Gambari**, who replaced Kyari as Chief of Staff, has given way to caution as the government's economic and security problems mount. Alongside the generals, **Lawal Daura**, a former Director General of the SSS until he was sacked for ordering a blockade on the National Assembly, is said to have regained influence at the heart of government along with other veteran securocrats (AC Vol 59 No 16).

A looming financial crisis that has caused delays to the payment of federal salaries (government salaries in the 36 states are already several months in arrears) is overshadowing the government's reform plans. A slight improvement in oil revenues has made little difference so far.

The ending of fuel subsidies and higher electricity prices are driving up inflation. The prospects of reversing that and returning to robust growth without an international economic recovery are slim, which sours the outlook for the last three years of Buhari's second term. If the economy hits a brick wall, as some predict, and Nigeria is forced into the arms of the International Monetary Fund, the securocrats' resolve is likely to be tested again. ●

GHANA

Election stirs up apathy

Against a grim backdrop of pandemic economics, voters are uninspired by the choices in next month's elections

Dampened by the pandemic, economic worries and voter fatigue, campaigning for the national elections on 7 December is heading into the final stretch. Jobs and living standards dominate voter concerns but neither of the two main parties are winning new converts to their policies.

An escalating row over the government's plan to sell forward most of its gold-mining royalties to a private company called Agyapa in exchange for cash up front could still liven up the campaign (see box). An assessment by the Special Prosecutor, **Martin Amidu**, that the plan, pushed through parliament in August, had breached multiple laws has embarrassed the governing New Patriotic Party (NPP – AC Vol 60 No 2).

The opposition National Democratic

Congress (NDC) calls the Agyapa plan a 'very shady deal' and, in a move to deter investors in the proposed royalty company, threatens to reverse the arrangement if it wins back power.

Outside the Agyapa deal, the election contest is well rehearsed. The incumbent, President **Nana Akufo-Addo** of the NPP, is running against his predecessor, **John Dramani Mahama** of the NDC. The same two candidates contested elections in 2012 and 2016; in 2008, Akufo-Addo narrowly lost to **John Atta Mills**, who had Mahama as his running mate.

Opinion polls suggest Akufo-Addo is ahead, albeit not by the margin of his victory four years ago of 53.7% to Mahama's 44.5%. NDC stalwarts complain of an undisciplined campaign and missed opportunities by their party. According to a former NDC minister:

'2016 was rock bottom; everything that could have gone wrong went wrong. The only way is up, and the result should be closer.'

NDC supporters complain that the party's campaign against the Akufo-Addo government has been underpowered but they are heartened that the NPP is more vulnerable to voter apathy.

'Mahama needs to change gear. He hasn't inspired the base and he is not winning over nearly enough of the undecided voters,' said the former minister.

The NPP's flagship policies on new jobs and free secondary school education have proved problematic. But the government's weakest point, on corruption and transparency, is difficult for Mahama to exploit.

Akufo-Addo and his closest ministers and advisors have been assailed by allegations in the media and from civil society of a culture of entitlement and – in some instances – outright corruption over financing deals, oil contracts and the Agyapa gold royalties deal.

But Mahama left office in 2016 under a heavy corruption cloud of his own, accused by critics of presiding over ruinous deals in the power and oil and gas industries which racked up

WHO WINS THE GOLD VOTE?

Finance minister **Ken Ofori-Atta's** scheme to float a company in Jersey, a **British** tax haven, to scoop up the rights to royalties from 16 of Ghana's richest gold mines is rapidly becoming a liability for the government. The proposed company, Agyapa, was to be valued at US\$1 billion, of which the state would hold 51% and 49% would be sold to private investors on the London and Accra stock exchanges. Ofori-Atta argues that is an efficient plan to raise cash now without adding to the country's mounting public debt, but critics argue the opacity around the valuation of the gold royalties conceals the risk of heavy losses to the government in the medium term.

On 2 November, President **Nana Akufo-Addo** announced the plan to float the Agyapa royalty company in London and Jersey would be put on hold until after the 7 December elections, pending a restructuring of the project and more scrutiny by parliament. President Akufo-Addo was reacting to a highly critical 67-page assessment of the plan by **Martin Amidu**, the Special Prosecutor.

Amidu identified a risk of corruption and conflicts of interest in the Agyapa plan, in the structuring of the company and the selection of transaction advisors and corporate directors, as well as multiple breaches of the law.

The bill establishing Agyapa's complex corporate structure, some two years in the making, was pushed through parliament in an accelerated four-hour sitting – under a so-called Certificate of Emergency – thanks to the governing New Patriotic Party's hefty majority.

That sparked mounting opposition. Some was predictable, such as that of an opposition National Democratic Congress looking for a cause to boost its flagging election campaign; less predictable was the near unanimous condemnation of the plan, for its lack of transparency and questionable revenue valuations, by independent civil society organisations and industry experts. And the characterisation, later modified, of the deal as 'unconscionable' by the Justice Minister and Attorney General, **Gloria Akuffo**, was downright embarrassing for the government.

To make up for the failure of parliament to scrutinise the plan properly, **Kwasi Prempeh**, Executive Director of the Centre for Democracy and Development, proposed that any state transaction above a certain threshold should be subject to comprehensive and public review at an early stage by the Auditor General and the Special Prosecutor, as well as the Attorney General.

Two industry experts, **Fui Tsikata**, a lawyer specialising in mining, and **Kofi Ansah**, the founding Chief Executive of Ghana's Minerals Commission, questioned the opacity built into the plan, especially on the valuation of the mineral rights that the government wants to assign to Agyapa. With gold prices at over \$1900 an ounce and nearing an all-time high, they suspect \$1bn is a gross under-estimate; others argue the royalties are being sold for a third of their market value. If so, the deal would be highly lucrative for the private investors buying 49% of Agyapa while offering little benefit to Ghana's treasury, which designed it.

Now that the combination of civic activists and the Special Prosecutor have put a brake on the deal, the government will have to go back to square one, according to **Bright Simon** of the Imani Centre in Accra. If the government is serious about maximising the state's take from the gold sector, currently about 5%, it should hold consultations with citizens' groups and industry representatives, says Simon.

Regardless of who wins the December election, Agyapa is unlikely to be listed this year because of time constraints and investor concerns. For the moment, this marks a rare victory for civil society even if few expect the sponsors of the deal to abandon the plan for long. ●

unsustainable debt (AC Vol 57 No 24).

Many of those deals, such as those with Dubai-based Ameri, **Turkey's** Karpower and a gas-processing project with **Italy's** ENI and Geneva-based Vitol, were pushed through government and parliament with minimal scrutiny under Mahama's presidency.

Although the NPP campaign in 2016 made searing critiques of these deals, once in office its attempts to renegotiate the terms – with little transparency – failed to produce substantive improvements for the country. Grand promises of a tough stance on poorly

negotiated and corrupt procurement and resource contracts have not been kept.

State capacity to investigate and prosecute malefactors is scarcely stronger than it was under Mahama. The exception is the belated establishment of Amidu's Special Prosecutor's Office, which was touted as an independent unit to investigate corruption, regardless of its partisan ties.

With their local and international business connections, the top tier of the NPP government has worked hard to convince Ghanaians of its superior competence in managing the national

economy against the record of the NDC under Mahama and his finance minister **Seth Terkper** (AC Vol 57 No 18).

Hit by the pandemic as elsewhere, Ghana's economy is set to shrink by about 4% this year, but the International Monetary Fund and World Bank forecast that it will return to growth next year, at about 0.5%, with the rate increasing to an average of over 3.5% until 2024.

Even before the health emergency, the economy was being held back by the mounting costs of debt servicing, the cedi weakening against the dollar and rising inflation.

Voters have told pollsters that new trade deals have not translated into more jobs and higher living standards. According to a senior advisor to President Akufo-Addo: 'if the party is to be punished for non-performance, our polling suggests it is likely to be individual MPs who carry the can rather than the principal.'

Since the restoration of multi-party elections in 1992, the president's party has usually enjoyed a majority in parliament. Some in the NDC hold out the hope that it could still win control of parliament, even if Mahama is unlikely to beat Akufo-Addo for the presidency.

PANDEMIC POLL

The Covid-19 pandemic has defined the election, not just in the low-key campaigning but also in shaping the race. President Akufo-Addo was one of the first leaders in the region to close the country to international travel on 22 March, when there were 22 reported cases nationwide. He has won praise for his management of the pandemic and communicating government policy. Where there has been controversy – such as over the award of an airport Covid-19 testing contract to high-profile Nigerian oilman **Benedict Peters** – it has not gained traction (AC Vol 59 No 4).

Public health concerns did not prevent an often chaotic electoral registration exercise early this year. That raised issues over the integrity of the electoral list and of the capacity of the Electoral Commission. **Jean Adukwei Mensa**, Chair of the Commission since 2018, is stewarding her first election, with both parties highlighting the risk of hacking of the counting process and of intimidation of voters by militants and freelancers.

The NDC says Mahama's running mate **Naana Jane Opoku-Agyemang**, a former education minister, has helped inject some energy into the NDC campaign. Although some see the relatively restrained campaign as a sign of constitutional maturity in Ghana, others fear voter apathy and deepening social inequality.

Tougher critics outside the two main parties warn that if the gap between

political promises and delivery continues to widen, Ghana may not remain immune

from the more ferocious politics that plays out in other parts of the region. ●

SOUTH AFRICA

The 'Ramaphosa Compromise'

The medium-term budget is seen by some as a fudge in the struggle between liberalising reform and preserving the state sector

The government has firmly held the line against the left and the labour movement's efforts to defend ailing state-owned enterprises. President **Cyril Ramaphosa** is also boosting the Zondo commission into state capture. But the compromise recovery plan – and the budget set out to enable it – is a mish mash that won't do enough, pundits say, to avoid incipient default or an International Monetary Fund bail-out. Finance Minister **Tito Mboweni** emphasised the danger of possible debt default by 2024 as he launched his bleak medium-term budget policy statement on 28 October. Debt already stands at 81% of GDP, and could rise to 95% by 2025.

The extent of chronic corruption under former President **Jacob Zuma** is daily exposed in the hearings of the Zondo commission, and estimates of its cost run as high as 1.5 trillion rand (US\$95 billion), but economists warn against blaming the dire public finances on graft alone (AC Vol 61 No 20). Mboweni allocated R61 million for the Zondo Commission while drawing fire from trade unions for a freeze on civil servant salaries (AC Vol 61 No 5). Over the past decade, public servants' pay has increased well above inflation, averaging 3% a year while GDP climbed by only 1.2% in the same period.

Some of the fiercest criticism came for cutting government spending in

health and education in order to pay for the bail-out of the debt-crippled national carrier, South African Airways. The SAA bail-out looks like a crude sop to the left, a price perhaps of buying trade union acquiescence in other public sector retrenchment and reforms to the electricity supplier Eskom and arms manufacturer Denel (AC Vol 61 No 13).

The budget, economists said, supports President Ramaphosa's statist economic recovery plan, which aims to stabilise the mounting debt by 2024 and fund a public employment scheme, a massive infrastructure programme led by the energy sector and localised project investment.

The plan embraces public-private partnerships in the energy and transport infrastructure sectors, seeing a greater role for the private sector in general. Mboweni, however, was in favour of a more free-market approach, with public sector job cuts instead of a wage freeze, more privatisation – particularly in the energy sector – and the ending of Covid-related grants, which have been terminated to howls of protest.

ZONDO, ZUMA AND KWAZULU-NATAL

The President's zero tolerance of corruption may have given him the upper hand, but the increasingly marginalised Zuma faction of the African National Congress is still fighting the dismissal of its officials, even after they have been charged with criminal offences.

Three officials facing investigation for corruption have been defiantly rehabilitated by their local parties. **Mike Mabuyakhulu** was reinstated as deputy chair of the ANC in KwaZulu-Natal after he was released on bail on corruption charges. Former Durban Mayor **Zandile Gumedde** was re-admitted to the KZN provincial legislature. Former Minister of State Security **Bongani Bongo**, a confidant of discredited Deputy President **David Mabuza**, is still serving as a national MP even though he has been charged with bribery.

Meanwhile, the ANC in Free State province has come out in public support of Ramaphosa, calling for Zuma and ANC Secretary-General **Ace Magashule**, seen as the unofficial leader of the Zuma faction, to be suspended from the party. Magashule was implicated in Zuma-era corruption when he was premier of the Free State.

Zuma's trial on racketeering charges has been subject to repeated delays over the past year and is currently awaiting a ruling on a pre-trial application by the **French** arms company Thales that there is no evidence it participated in bribing Zuma in a huge arms deal (AC Vol 59 No 7). Thales is facing the same charges as the former President and the case will serve as something of a dry run for Zuma's own trial. The Zondo Commission has lost patience with the former President's repeated delays and has said it will issue a summons to force him to attend.

The bank accounts of two of Zuma's sons, **Duduzane** and **Edward**, were frozen on 30 October by law enforcement officers investigating their alleged role in state looting. Duduzane was a close associate of the Gupta brothers – **Ajay**, **Atul** and **Rajesh**. The notorious brothers cultivated Duduzane by paying for his education abroad and setting him up in business with inflated contracts from key sectors of the economy that they had 'captured'. It is alleged that Duduzane was the key facilitator of access to Zuma and ultimately to his 'capture' by the Guptas.

Evidence has emerged from the Zondo Commission in recent weeks that Duduzane may have personally benefited from a corrupt procurement involving the company VR Laser and the state arms manufacturer Denel (AC Vol 61 No 19).

The Commission also heard that Zuma allegedly ordered the reinstatement and elevation of discredited executive **Siyabonga Gama** of Transnet, the state-owned rail, port and pipeline company.

Judge **Raymond Zondo** expressed incredulity that Gama, who was fired in 2010 for gross misconduct, had been reinstated in 2011 and that Transnet covered his legal costs both in a court case against it and in an internal disciplinary inquiry in which he pleaded guilty on all three counts.

'I've never seen anything like it,' Judge Zondo said repeatedly while he interrogated former Transnet chair **Mafika Mkhwanazi** about the decision to pay Gama's legal fees. The High Court ruled against Gama in October 2009 and in favour of Transnet in a dispute that Gama had instituted over his suspension.

A series of senior officials have been tainted by their alleged association with Zuma-era corruption at Transnet. They include: former Chief Financial Officer **Anoj Singh**, Gupta associate **Salim Essa**, former Defence Minister **Siphiwe Nyanda**, former Finance Minister **Malusi Gigaba** and former Transnet CEO **Brian Molefe**. ●

The Covid-related relief for business has been extended for three months, while individual grants have been ended.

On the other side of the fence, Public Enterprises Minister **Pravin Gordhan** is the strongest proponent of the SAA bailout, which conforms with a decision by the ruling ANC's internal structures to preserve the national carrier. However, 'It would be wrong to see Mboweni and Gordhan at loggerheads,' said an insider in the Ramaphosa camp. Their positions, the insider said, simply represent both sides of what they are calling the 'Ramaphosa compromise.'

By the end of 2022, Ramaphosa will be seeking re-election for a second term ahead of national elections in 2024, by which time he hopes that the restructuring of Eskom, the acceleration of green energy and independent power producers' access to the national grid will have put an end to power cuts and delivered a boost to the ANC share of the popular vote.

While South Africa's economic prospects look bleak on paper, there are no signs of panic in the bond markets and economists say the country still has options, although they want policy to incline more to Mboweni's preferences for job cuts and privatisation.

While Ramaphosa's compromise falls short of the more market-driven approach favoured by business, it has avoided full-blown interventionist policies (AC Vol 61 No 21). Whether or not this compromise will work, it signals a power shift from the hitherto near-autonomous National Treasury in favour of the Presidency.

International investors say that South Africa's budgetary processes are still credible but analysts are more doubtful about whether the mid-term budget can achieve its projected savings from a wage freeze and whether the government can avoid caving in to the demands of militant trade unions.

They also point to the absence of a viable plan to resolve Eskom's massive debt, currently at R488bn, with deepening power cuts likely to continue into 2021 (AC Vol 60 No 24).

Although Ramaphosa did not heed all the advice of his high-powered Presidential Economic Advisory Council, *Africa Confidential* understands that it has been active behind the scenes and will play an increasingly important role in advising on major economic reforms in future.

The 18-member council, appointed last year, includes international experts such as Harvard University's Professor **Dani Rodrik**, University College London's Professor **Mariana Mazzucato**, former Nigerian Finance Minister **Ngozi Okonjo-Iweala**, former governor of the Bank of Tanzania Professor **Benno Ndulu**, former chief economic advisor to former President **Thabo Mbeki**, Professor **Alan Hirsch**, and economist **Thabi Leoka**. ●

AFRICA/ECONOMY

Pandemics stunt your growth

Africa may have dodged a bullet on the Covid-19 health front but most of the economies are in intensive care

One year after the International Monetary Fund predicted that sub-Saharan Africa's economies could expand on average by over 3% this year, the economic outlook is far worse. At last month's IMF/World Bank meetings, the IMF projections were for an average GDP contraction of -3%, or more than -5% if calculated on a per capita basis.

This is a marginal improvement on the IMF's projection in June, and more optimistic than the downgraded projection of a -3.3% average contraction issued by World Bank economists; they now warn that a decade of 'economic progress' could be lost, and that close to 40 million people in sub-Saharan Africa could fall into extreme poverty as a result of the pandemic (AC Vol 61 No 14).

That people south of the Sahara have suffered lower mortality from the disease than previously feared, and – in the IMF's view – their economies will do better than the world average projected -4.4% contraction in output this year, is of minimal consolation. The continent's 2021 rebound of 3.1% (IMF) or 2.1% (World Bank) lags behind projections of 2021 rebound in overall world output by 2% or more.

Sub-Saharan Africa's limited fiscal capacity to drive countercyclical policy

responses and directly address the coronavirus crisis could see it outpaced during 2021 by most other regions, including Europe and emerging market/developing economy zones in Asia, Europe and Latin America/Caribbean.

In this respect, the relatively modest (over 3%) average increase in SSA economies' fiscal deficits this year – compared to the around 9% global average – represents a weakness in the capacity of governments to direct funds to health-sector needs and overall crisis response, rather than a strength. Also worrying is the potential impact of the diversion to pandemic-related spending, in several African economies, of funds previously designated for much-needed capital spending to address the continent's enormous infrastructure gap.

Several governments have turned to monetary policy measures or other central bank actions, including major reductions in interest rates and/or encouraging banking sector restructuring or moratoriums on outstanding loans. At times this has been accompanied by government guarantees of selected banking sector loans that IMF economists warn could add further to contingent liabilities.

The new lockdowns in major European nations are a reminder of

the major downside risk of a greater-than-anticipated coronavirus 'second wave' which, combined with other factors, such as the dashing of hopes of a vaccine in 2021, could further impact the global economy and therefore Africa's prospects next year.

Within SSA itself, the baseline growth scenario of the IMF assumes that SSA countries will not reinstitute the tough lockdowns seen during the second quarter of this year. The Bank's baseline also assumes vaccines could be distributed in advanced and major emerging market economies from the first quarter of 2021, even if SSA countries might not get them for another two to three quarters.

The IMF warns that in the event of a second 2021 global coronavirus outbreak, SSA's oil exporters and other resource-intensive economies could take until 2025 to reach pre-crisis real GDP output. At current population growth rates these countries' per capita GDP could therefore by this time be more than 10% below pre-coronavirus levels, representing a major fall in living standards.

Africa's numerous security crises likewise represent another downside risk, including the wave of #EndSARS anti-police brutality protests in **Nigeria**, which IMF Africa department director **Abebe Selassie** concedes might lead to a revision of Nigeria's already disappointing outlook.

Nigeria, like the **South African** economy which is on track to contract by -8% this year (or worse than -9% per capita), remains a drag on overall SSA growth from both a statistical and

consequential perspective, with its contraction and controversial border closures continuing to impact its neighbours.

Like other SSA oil producers, Nigeria continues to suffer from OPEC+ restrictions on its crude oil output and prices of around US\$40 a barrel, which its ministers now concede could last well into 2021, while struggling to generate revenues from non-oil sources.

The continent's tourism-dependent economies will, on average, take the largest 2020 hit from the massive reduction in global travel although, in the best-case scenario, they may benefit from a speedy 2021 rebound if the virus recedes and the global economy recovers. Non-resource intensive economies, particularly the relatively diversified ones, continue to perform somewhat better than their resource intensive peers.

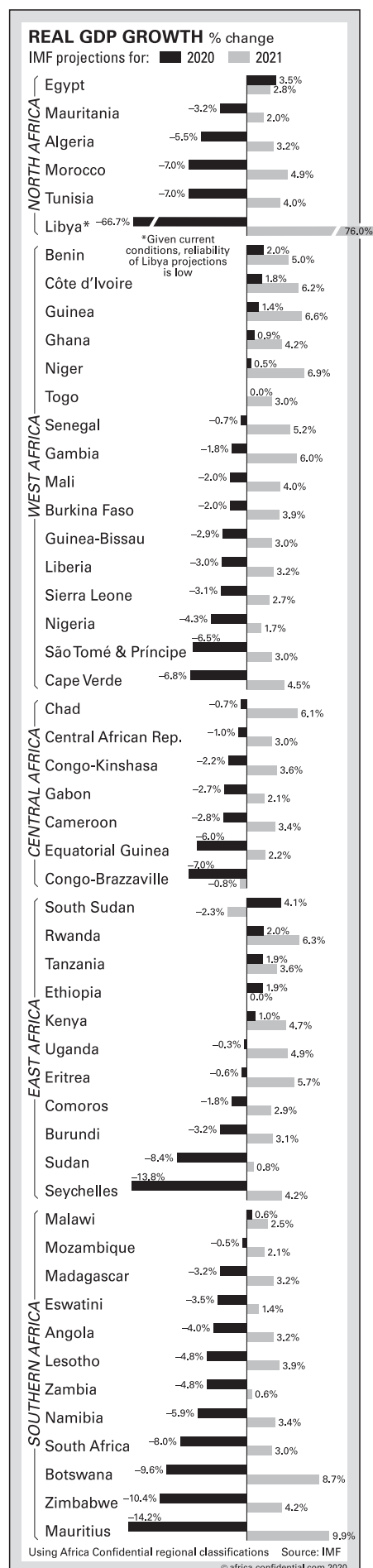
According to IMF economists, several such economies in West and East Africa, and Egypt, should avoid 2020 real GDP contraction even if almost none of Africa's 54 economies are on track to register real per-capita growth. **Ghana**, now predicted to expand by 1% this year, albeit incurring a massive fiscal deficit, has been among the beneficiaries from the relative resilience of gold prices amid a global flight-to-safety that has benefited some SSA metals producers.

Yet headline growth figures remain the tip of the iceberg, less relevant to Africa's relatively young populations contending with the rising tide of unemployment, disrupted education, food shortages, and longer-term concerns over their future and the impact of climate change. From an economic perspective, the crisis continues to highlight Africa's dependence on external financing, over and above broader fears over rising debt.

ALARM

As economists digest this year's major capital outflows from the continent and reduction in inflows, including foreign direct investment from investors and remittances, the IMF has raised the alarm on Africa's growing funding gap. The IMF estimates that, of the approximately \$890 billion SSA could need in external financing from 2020 to 2023, mostly to cover current account deficits and debt amortisation, it could struggle without further measures to raise at least \$130bn, possibly even \$410bn.

Amid the overall economic gloom, the difficult policy choices faced by Africa's governments still include measures to increase revenues and to

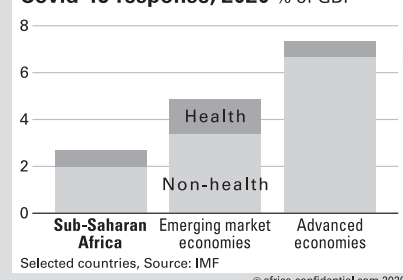


APPROVED IMF EMERGENCY FINANCING

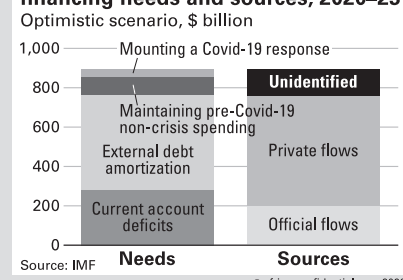
as of 31 October 2020	In US\$ terms	% of world	Increase since mid-July
North Africa	\$8,919.1m*	8.8%	\$28.7m
West Africa	\$6,832.5m**	6.7%	\$32.6m
East Africa	\$2,300.7m	2.3%	\$0m
Central Africa	\$1,280.3m	1.3%	\$378.6m
Southern Africa	\$6,032.4m†	5.9%	\$5,466.4m
SUB-SAHARAN AFRICA	\$16,445.9m	16.2%	\$5,877.6m
AFRICA	\$25,365.0m	25.0%	\$5,906.3m
WORLD	\$101,543.0m	100.0%	\$18,554.4m

Includes Rapid Credit Facility, Rapid Financing Instrument, Extended Credit Facility, Stand-By Arrangement, and Extended Fund Facility financing. *Includes \$797bn for Egypt **Incl. \$3.4bn for Nigeria †Incl. \$4.3bn for South Africa

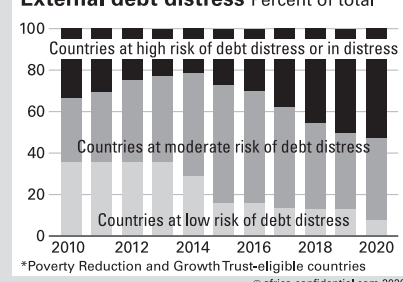
SUB-SAHARAN AFRICA: Fiscal Covid-19 response, 2020 % of GDP



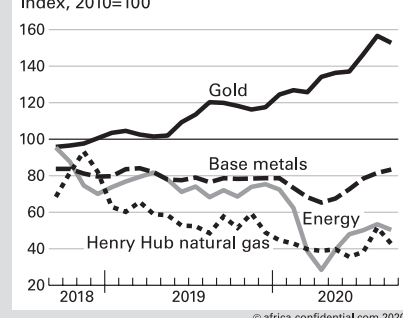
SUB-SAHARAN AFRICA: External financing needs and sources, 2020-23



SUB-SAHARAN AFRICA: External debt distress Percent of total*



MAJOR COMMODITY PRICES



COVID STARVES TREASURIES OF OXYGEN

The coronavirus crisis continues to reduce government revenues, divert spending capacity towards crisis response, and drive increased borrowing. The International Monetary Fund (IMF) now calculates that the average 2020 debt service-to-revenues ratio of sub-Saharan Africa's oil exporters has more than doubled from about 30% pre-crisis to 76% now. It also calculates that the ratio for other SSA resource-intensive countries has increased by one third to approximately 29%, thus requiring yet more assistance from all lenders, whether bilateral or multilateral, concessional or commercial.

Since mid-July the IMF has approved a further US\$5.9 billion in Africa emergency financing, bringing the total this year to over \$25.3bn (over \$16bn in SSA) with – according to the IMF's Africa department director **Abebe Selassie** – more such financing potentially to come. Yet this figure pales in comparison to the over \$63bn approved by the IMF for the 'Western Hemisphere' including major recipients **Chile, Colombia, Ecuador and Peru**.

The close to \$400 million in IMF Catastrophe Containment and Relief Trust debt service relief so far granted to low-income SSA economies is a drop in the ocean compared to Africa's debt-servicing needs, even when combined with other initiatives such as the G20-Paris Club Debt Service Suspension Initiative, which has recently been extended until June 2021. According to the World Bank, the DSSI could offer the 38 eligible African countries potential debt service suspensions exceeding \$5.7 billion.

Despite complaints from the World Bank and others critics about **China's** alleged reluctance to participate in the DSSI, Africa's largest bilateral lender for now appears to have committed to the largest DSSI debt-service moratorium from a single country, even if a lower-than-desired proportion of the debt service it is due. Yet concern persists in some quarters that other debt service relief and emergency financing could be diverted towards paying Chinese debts.

Moreover, some African borrowers, including **Kenya**, which has chosen to avoid postponement of an estimated \$900m in external debt repayments, are understandably concerned at ratings agency reaction and the potential impact on their attractiveness to commercial lenders should they participate in the DSSI (AC Vol 61 No 21).

Kenya has, however, received almost \$740m in concessional IMF emergency financing, unlike **Zambia** which, struggling with China debts, has threatened creditors with default on all commercial debt including Eurobonds, and continues to hide the identity of new creditors. Inflation-wracked **Zimbabwe** could also be forced to raise large sums on the debt markets to satisfy its \$3.5bn July settlement with dispossessed white farmers. Like **Mozambique** it is one of six SSA economies currently in debt distress (AC Vol 61 No 21).

Despite their initiatives and lending, both the Bank and the IMF continue to be criticised by economists – and criticise each other – for not taking sufficient action. The perception remains that the **Donald Trump**-backed World Bank managing director **David Malpass** is unfairly tightening requirements for recipients of its lending. Even if the White House changes hands it remains to be seen whether the willingness and/or capacity of both the IMF and Bank to assist SSA economies in crisis will change. ●

maintain and boost social safety-nets. Governments must also decide on the timing of policy shifts as coronavirus-related disruption recedes, perhaps allowing the re-allocation of spending from crisis measures towards capital

expenditure and other initiatives.

As 2020 draws to a close, governments and economists increasingly note the importance of technology and the digital economy, both in responding to this crisis and in

potentially boosting the prospects of Africa's economies and populations in future years. However, the crisis could continue to delay implementation of the African Continental Free Trade Area. ●

GUINEA

Condé shrugs off poll doubts

The incumbent's victory, contested by the opposition and questioned by the EU, gives him more control of the state than ever

Whether his win with 59.49% of the votes in the 18 October elections was credible or not matters little to President **Alpha Condé** and his governing team. On 24 October, the *Commission Électorale Nationale Indépendante* (CENI) announced Condé's victory, slightly increasing his share of the vote from 57.85% in 2015.

The main challenger, **Cellou Dalein Diallo**, who had earlier announced that he was the rightful victor, promises to contest the result in the courts and on the streets (AC Vol 61 No 21).

Condé has strengthened his grip on the security forces which he will not hesitate to use to suppress protest. The

opposition claims that at least 21 people have been killed in election-related violence.

Now, Condé and his close allies control the presidency, parliament and all major state institutions. Some see it as a return to the days of Guinea's first President, **Ahmed Sékou Touré**, who ruled a one-party state increasingly despotically from independence in 1958 until his death in 1984 and gave his name to the presidential palace, the *Sékoutouréyah*.

Condé's uncharacteristically subdued message about the elections on social media called it 'a victory for Guinea'. Not all would agree. Two days

after the CENI announcement, the *Front national de la défense de la Constitution* (FNDC), which had been fighting Condé on the grounds that a third term is unconstitutional, called for a national mobilisation to unseat him. **Sékou Koundouno**, the FNDC's chief strategist, considers Condé's victory 'without merit', calling it a 'constitutional coup'.

The FNDC had been greatly weakened by Diallo's last-minute decision to abandon his coalition allies and go it alone, even though he must have known it would not help him increase his vote. He ended up taking 33.5% of the vote, up 2%.

Diallo's announcement that he had won, even though the count was still going on, did not help, and questions will be asked about his campaign strategy, if not his position within his party, the *Union des forces démocratiques en Guinée* (UFDG), which he has now led to defeat for the third time.

There were persistent reports of irregularities on polling day and during the count. The district of Faranah,

Haute Guinée province, recorded a turnout of over 100%. Overall voter participation in the province, one of Condé's electoral heartlands, hovered around the 100% mark. Similar red flags were seen in 2014 when the national census astonished many by revealing that it was not the capital Conakry but the region of Kan Kan, Haute Guinée, which had the biggest population in the country.

Ablogui, the association of Guinea's bloggers, noted similar irregularities but **Rashid Ndiaye**, a former journalist and President Condé's communications advisor, was on hand to dismiss those claims on **France's** TV5 channel, comparing the critics with France's *gilets jaunes* ('yellow vests') protest movement.

However, the fact that the internet, which had been operating normally during the elections, was suddenly cut off on 23 October, as results continued to be announced, strongly indicates that something was afoot. Bloggers, election monitors and party agents were unable to transmit results in real time from polling stations and safeguard against manipulation.

The European Union, which did not have an observer mission, was sceptical about the results. **Josep Borrell**, the

EU's head of foreign affairs, publicly questioned their credibility. But the Economic Commission of West African States, which was in a joint observer mission with the African Union and the UN, praised the calm atmosphere in which the election had taken place and made no comment on irregularities. The AU also gave the poll a clean bill of health, saying it was done 'in transparency'.

Because of this Diallo and the FNDP refused to meet them. The three organisations did manage to lift a four-day siege on Diallo's residence in Conakry's Dixinn neighbourhood by security forces on 28 October after he complained his household was running out of food.

'GRAVE ANOMALIES'

But the most damaging aspersions on the result were cast from within. Two CENI directors, **Marie-Hélène Sylla** and **Diogo Baldé**, resigned on 22 October citing 'grave anomalies', saying they could not vouch for the transparency and reliability of the results.

On polling day, Sylla had been prevented from inspecting polling stations in the town of Coyah, near Conakry, when the local prefect had refused to give her a security escort.

Coyah is one of the electoral districts where grave irregularities have been alleged. CENI spokesman **Mamadi 3 Kaba** dismissed the allegations.

But four days later, when the result had been declared, an even weightier presence at CENI, its Vice-President **El Hadj Mamadou Bano Sow**, stated that the elections should be re-done in their entirety, 'as was done in Malawi', because there had been massive fraud (AC Vol 61 No 3). CENI responded swiftly and this time it had to be its president, **Kabinet Cissé**, who roundly denounced the 'attitude' of one of its senior members. Cissé said Sow had violated the rules and the law and CENI was considering legal action against him.

Condé's first order of business is likely to be to restore normal relations with **Guinea Bissau** and **Sierra Leone**. He accused Sierra Leone's Vice-President **Mohamed Juldeh Jalloh** of aiding Diallo and destabilising the country following an attack on the convoy of the Guinean Prime Minister and campaign director **Ibrahim Kassory Fofana**. The case of Guinea Bissau will be equally complicated: Condé has a deeply antagonistic relation with President **Umaro Sissoco Embaló** and the accusations levelled at this neighbour were equally serious. ●

UGANDA

Bad cop, worse cop

The President's spies and soldiers are fighting each other, not just the opposition, ahead of elections in February

President **Yoweri Museveni** has been reshuffling his security chiefs after rivalries broke into the open, threatening the cohesion of the state's repressive apparatus. On 8 October Colonel **Kaka Bagyenda** was sacked as head of the Internal Security Organisation after it became clear that it was challenging other parts of the security system, especially the military, and accusing them of plotting to overthrow the President.

The scandal-dogged ISO is responsible for counter-intelligence as well as surveillance of the opposition. But Bagyenda's sacking, according to insiders in Kampala, is the climax of his long-running fight with what is now regarded as Uganda's most powerful intelligence outfit, the Chieftaincy of Military Intelligence. Often the CMI collaborates with the Special Forces Command, the elite branch of the Ugandan military in charge of Museveni's security. The CMI

and SFC are both within the military chain of command.

Pundits warn that the ISO was guilty mostly of an excess of zeal. It was intended that it should harass only the government's political enemies, and Bagyenda fell because he did not confine his depredations to the opposition but had targeted prominent members of society. And his organisation lost out in favour of the military. The ISO is under-resourced and its staff unprofessional, we hear.

Chief among the ISO's missteps was to accuse the President's son, Lieutenant General **Muhoozi Kainerugaba**, and his mother, the First Lady **Janet Museveni**, of plotting to overthrow the President. This is believed to have been the proximate cause of Bagyenda's fall.

CMI and SFC placed the ISO under investigation for making this accusation. While the investigations were ongoing, ISO clashed with the

military leadership in another case in which some individuals had sued **Bobi Wine** and other members of his National Unity Platform, alleging that he had acquired the party fraudulently. Bobi Wine needed the NUP as a vehicle in order to meet constitutional conditions for standing for the presidency.

Many in Kampala think that the National Unity Reconciliation and Development Party, the precursor to the NUP, had been encouraged by the seculocrats to sue Bobi Wine so that he would be shown to have acquired the party wrongly, and would thus be 'legally' ineligible to stand (AC Vol 61 No 20). The plot hinged on **Moses Kibalama**, the NUP's founder. ISO officers are believed to have coerced Kibalama to claim in an affidavit that the NUP had been forced out of his hands by Bobi Wine.

ISO found itself at odds with Gen **David Muhoozi**, the commander of Uganda's armed forces, over Kibalama. The upshot was that Bobi Wine was cleared to continue with the NUP. So the military's resentment of the ISO grew.

The embarrassed military blamed the ISO. President Museveni was angered at the reputational damage the army had suffered and met Bagyenda to demand answers. Museveni was particularly irritated that many thought

his government was so afraid of Bobi Wine it would keep him out of the polls illegitimately.

The ISO is also accused of creating other problems for the government. In May, the CMI and SFC had arrested an ISO operative named **Simon Peter Odongo** for falsifying intelligence which ISO had submitted to the President.

Odongo was a key operative in ISO's cyber unit. In 2017, he produced a report claiming that Uganda's Secretary to the treasury, **Keith Muhakanizi**, together with other high officials had been involved in a scheme to steal \$20 million from the central bank.

Yet the Bank of Uganda confirmed no money was missing. The ISO had also claimed that the MTN mobile phone network contained a 'back door' in its systems that Rwanda could use to spy on government communications.

In July 2018, the ISO raided MTN and later senior MTN employees, including the CEO **Wim Vanhelleputte**, a **Belgian**, were deported for allegedly compromising national security. Following further investigations, Vanhelleputte was allowed to return to Uganda and resume his job. President Museveni admitted he had been misled.

Odongo was also involved in the imbroglio around the 2017 assassination of top police officer **Andrew Felix Kaweesi** (AC Vol 59 No 4). Gen **Kale Kayihura** was accused of the murder before a court martial. That and other charges were dropped after it emerged that prosecution witnesses had been coached by ISO operatives. He still faces serious charges but has been released on bail since late August.

Then, in May, CMI and SFC arrested Odongo following an altercation with some military officers. The two agencies have since defied court orders demanding his release. In what appeared to be a further escalation of tensions, the CMI and SFC in July raided

ISO's safe houses, where the agency was accused of holding and torturing Ugandans, and arrested ISO personnel.

Responsibility for internal security and undermining the opposition has long been blurred, with the ISO, CMI, SFC and the Uganda Police Force all exercising varying degrees of autonomy while competing for resources and the President's favours. The President likes his securocrats to be suspicious of each other, insiders say, because it means no single body or commander can plot against him without his rivals hearing about it and alerting him. But Bagyenda is believed to have taken vigilance to extremes.

RISE AND FALL

Bagyenda, 68, had an important intelligence role in the National Resistance Army's guerrilla war. After Museveni came to power in 1986, the ISO was in the ascendant until the early 2000s, when its then head, **Henry Tumukunde**, then a brigadier, got into a power struggle with the CMI. Tumukunde challenged Museveni's first lifting of presidential term limits and from then on CMI started to command resources that had previously been available to ISO and its decline began.

By 2005, Gen Kayihura had made the police the senior security enforcer for the President, overshadowing the CMI and ISO. That continued until he and Museveni fell out in 2017 when he was accused of wanting to unseat the President and working with **Rwanda**. During that period the ISO was starved of funds and shorn of its intelligence-gathering functions. It gradually diminished in importance until it became no more than an appendage of the National Resistance Movement, its agents often adjuncts of squabbling ruling party cadres and acting as extortionists, NRM sources said.

When Kayihura fell, Museveni summoned Bagyenda back from

obscurity on his island in Lake Victoria to regain supremacy in the security firmament. Gen **Salim Saleh**, Museveni's brother, was believed to have influenced the appointment.

Bagyenda quickly stamped his own authority on the ISO by sidelining the few remaining qualified intelligence officers, replacing them with a team that came to be seen as highly disreputable. It included **Paddy Serunjogi**, a leader of a notorious criminal gang who in 2017 confessed to being behind a spate of robberies and murders in Kampala.

Under Bagyenda's leadership the ISO's profile rose, albeit mostly for its reputation for torturing citizens in its safe houses and fabricating intelligence against them. The poorly trained operatives often used to extort money from senior government officials and top business people in the capital as well as harassing oppositionists.

The ISO also claimed to have 'rooted out' spies. It convinced the President that Rwanda was infiltrating the Ugandan security structure with a view to overthrowing him. This belief helped fuel the public falling out between the two countries last year (AC Vol 60 No 6).

In spite of all this chaos, President Museveni has chosen not to punish Bagyenda. Instead, he has appointed him ambassador to **Angola**. President **João Lourenço** is leading the effort to reconcile Rwandan President **Paul Kagame** and Museveni. Bagyenda's appointment is also intriguing because as ISO chief he carried out the very operations that escalated tensions between Rwanda and Uganda.

Much remains unclear about why Bagyenda ended up in such a prominent role. What is clear is that President Museveni wanted him out of the security establishment, which has been critical to his previous election victories and is expected to deliver the same in the 2021 elections. ●

CONGO-KINSHASA

Stepping back from the brink

The President nearly broke up his coalition with his predecessor but backed off at the last minute. He still wants a way out

The announcement on 21 October that President **Félix Tshisekedi** would address the nation in two days generated fevered anticipation that he would dismiss his government, dissolve the National Assembly and decree fresh elections. The outspoken **United States** ambassador, **Mike Hammer**, tweeted approvingly that a

'big announcement' was in the wind.

In the event no such drama occurred, although Tshisekedi did declare that his alliance with ex-President **Joseph Kabila's Front Commun pour le Congo** (FCC) was over. The FCC was blocking him at every turn, the President said. He would spend the next week or so 'in consultations' on a

possible new coalition.

A week earlier, ignoring the pleas of National Assembly president **Jeanine Mabunda** and Senate president **Alexis Thambwe Mwamba**, who were acting on behalf of Kabila, Tshisekedi swore in three Constitutional Court judges. The FCC, which has a majority in both houses of parliament, boycotted the event. Also absent, on Kabila's orders, were Mabunda and Mwamba, Prime Minister **Sylvestre Ilunga Ilukamba**, all the other FCC ministers and – ominously – the heads of the armed forces and police (AC Vol 60 No 9). Cheering activists from Tshisekedi's *Union pour la Démocratie et le Progrès Social* (UDPS) took their place, raucously singing the national anthem

while the president smiled broadly and gave them the 'Victory' sign.

Tshisekedi has been trying to claw back executive power from the FCC for some time. In July, he dispatched Ilunga to the southern town of Lubumbashi and as soon as he was gone appointed **Gilbert Kankonde**, the Minister of the Interior and a member of the UDPS, as acting prime minister. Tshisekedi then asked Kankonde in his new capacity to counter-sign several presidential decrees, including one appointing the three judges, a move the FCC called illegal.

The FCC still controls the *Commission Electorale Nationale Indépendante* (CENI), the misnamed electoral commission, but it is the Constitutional Court which makes final rulings on elections. The Court sanctified a power-sharing deal between Tshisekedi and Kabila after the last general election by decreeing that Tshisekedi had won it – which nobody believed. **Martin Fayulu** was shown by CENI data leaked by whistleblowers to *Africa Confidential* and other media to be the real victor (AC Vol 60 No 2). With elections in 2023 coming into view – although delay already looks inevitable – Tshisekedi wants to stack the court, although he still has a judge or two to go to be sure of a majority among its nine members (AC Vol 61 No 15).

Ilunga and the FCC government ministers' refusal to attend the judges' swearing-in gave Tshisekedi the perfect excuse to sack them and install an administration he can call his own. This is precisely what he originally intended to do in his address, *Africa Confidential* understands. But he was lobbied hard throughout the day, we hear, by regional heads of state and the French ambassador, not to pull the plug on the country's fragile political arrangement for fear of violent unrest and instability. Eventually, he relented.

Needing to say something, Tshisekedi announced the end of the coalition with the FCC, buying himself some time. Even so, the six-minute address was an anti-climax given the fanfare surrounding the judges' swearing in, an event most Congolese took as a victory for Tshisekedi and a humiliation for Kabila.

Tshisekedi says he is now seeking to build a new 'sacred union' with like-minded political and civic forces. Any new coalition will need a majority in the National Assembly, at least 251 deputies. The FCC has 338 seats, and its leadership is working hard to keep them in line.

Mabunda called the deputies to her property in Gombe on the day

BIG MOUTHS AND EMPTY WALLETS

United States ambassador to Congo-Kinshasa **Mike Hammer** is in such regular contact with President **Félix Tshisekedi** that many refer to him as the country's unofficial deputy president. For the past year, Hammer has consistently encouraged Tshisekedi to take a tough line with Kabila and his clique, and seemed to be anticipating the President dismissing his government in the 23 October address. Quite on whose authority Hammer is operating is, however, less clear.

President **Donald Trump's** lack of interest in or knowledge of Africa is well-known. Nor is there much evidence of headquarters-level engagement at the State Department in Washington.

Meanwhile, the **Chinese** government, which has over two decades enthusiastically underwritten a series of massive mining, infrastructure and now renewable energy projects, seems to be cooling on Congo-Kinshasa. One factor is Africa-wide, with Beijing declaring at the 2018 Forum on China-Africa Co-operation that it would limit its fresh investment in the continent to US\$60 billion until the next FOCAC, scheduled for 2021. This requires that a number of projects across the continent be put on hold.

Another constraint is Hammer's closeness to Tshisekedi, which is problematic for China given President Trump's antipathy to the People's Republic. This may change after the US presidential elections. A second issue is that nearly all the projects in which Chinese state-owned companies have been investing still have a very strong Kabilist component and there has been little effort by Beijing or the Tshisekedi administration to change that.

Moïse Ekanga, a staunch Kabila loyalist, remains at the head of the state agency charged with overseeing the country's large-scale China-backed projects and no one has emerged to replace or challenge him.

There is no realistic alternative, not from the US, the European Union or the **United Kingdom**, to the billions of dollars in investment capital that has flowed from China over the past two decades. The tens, and occasionally hundreds of millions of dollars in development assistance on offer from Western powers, while mostly welcome, are a decidedly poor substitute. ●

of Tshisekedi's speech, primarily, it seems, to check on their loyalty. On 26 October, Kabila called the leaders of the FCC's parties to his Kingakati farm to discuss tactics, and later had all the FCC deputies and senators join them there.

The word emanating from these huddles was that the FCC is ready, if needs be, to transition from coalition to 'cohabitation' – that is, to leave Tshisekedi the presidency, while the entire government would belong to the FCC. To stop this happening, Tshisekedi needs to build a new coalition, but he can't do it without persuading large numbers of FCC representatives to defect.

The UDPS and its ally, **Vital Kamerhe's Union pour la nation congolaise** (UNC), have just 52 seats. Kamerhe, who had been Tshisekedi's chief of staff and harboured his own presidential ambitions, is in prison after being convicted of fraud earlier this year (AC Vol 61 No 8). The Lamuka coalition, led by Fayulu and the former Vice-President and warlord **Jean-Pierre Bemba** along with former Katanga governor **Moïse Katumbi**, might want to team up with Tshisekedi despite their anger at his betrayal of their electoral pact in 2018. (Tshisekedi stood for office instead of giving way to Fayulu as the pact decreed.) Lamuka has 98 seats

while **Modeste Bahati's Alliance des forces démocratiques du Congo**, which is on the verge of splitting from the FCC, has another 18 (AC Vol 59 No 25). That makes 168 seats, still 83 short of a majority, and they would all have to come from the FCC.

BRIBES

Presidential aides have started working on deputies in Kabila's FCC alliance of parties. On 27 October the *Parti du Peuple pour la Reconstruction et la Démocratie* complained that FCC deputies were being offered bribes to switch sides. Tshisekedi may have a few government posts to offer in exchange for defections, but his own party and Lamuka, if they join, will be expecting to be ahead of any FCC defectors in the queue for patronage.

If Tshisekedi cannot peel enough deputies away from the FCC, he has two options. The first will be cohabitation, which would mean ceding every government post to the FCC. This would be a massive defeat from which he might not recover. The second would be to defy the advice of the African heads of state and call fresh elections, even though it is not clear where the money would come from – Western donors are reluctant.

While the country and the

international community wait for the President to make up his mind, and the country's Twitterati go into speculative

overdrive, Tshisekedi may be taking some Trumpian comfort in the fact that everyone is talking about him. But that

will not last, and it will be his decision and whatever flows from it that he will be remembered for. ●

MOROCCO

Unrest simmers over Covid

Tempers are rising over Covid-19 and ahead of elections in 2021, while concern grows about King Mohammed VI's health

Morocco may have had a good lockdown after King Mohammed VI (M6) pushed Prime Minister Saad Eddine el Othmani's government into forcing some 36 million non-essential workers to stay at home (AC Vol 61 No 7). But public opinion has been much less supportive since, as tourism and other big employers have struggled. Criticism has risen sharply as the disease toll climbs again. Efforts to modernise the economy and society launched before the lockdown have stalled: a huge undertaking to produce a new development model led by the *Commission Spéciale sur le Modèle de Développement* chaired by Chakib Benmoussa, is not now expected to deliver its findings to M6 until December, six months later than originally planned (AC Vol 60 No 25).

Morocco was generally united over Covid-19 until the key Muslim celebration *Eid al Adha* (also known as *Eid al Kebir* in the Kingdom) in August, when rumours circulated that the King might call off festivities to stop family gatherings – as his father Hassan II did twice – at a time when huge numbers were under social pressures to buy sheep for sacrifice.

The royal political establishment, the *Makhzen*, has been trying to control these developments along with the Ministry of Health and other government departments, putting traditional local authorities in charge of distributing medicines and other essential goods. They want to bring social distancing to mosques while avoiding accusations of interfering in religion.

The authorities continue to earn a reputation abroad by imprisoning critics such as Omar Radi, described by Amnesty International as 'the Moroccan journalist who refuses to be silenced'. Radi has been imprisoned while being investigated on charges of espionage stemming from journalistic work and run-of-the-mill due diligence research for foreign clients, and sexual assault in an incident with a colleague

Radi claims was consensual. The journalist's supporters say charges were concocted to punish a critic with a large following on social media and point to other instances of media critics being prosecuted for sexual offences. Human Rights Watch said this fits with 'the Moroccan government's playbook for stifling dissent'.

More conciliatory signals are aimed at more powerful opposition forces, notably the northern *Hirak Rif* (Rif Movement) and other popular opposition movements. After a hunger strike, the prison conditions for *Hirak Rif* leader Nasser Zefzafi improved. Several *Hirak Rif* members were among hundreds of prisoners released by M6 to mark Throne Day on 30 July.

But the tensions these political forces represent grow as the economy tanks. The central bank, Bank Al Maghrib, forecasts a 6.3% contraction in GDP in 2020 and the budget deficit rising to 7.9% of GDP, estimates some sources regard as conservative. Finance Minister Mohamed Benchaâboun has put together an external loan package – including a US\$1 billion Eurobond at relatively low interest rates and more to come in 2021 – and a dizzying array of measures to try to cope with the unprecedented economic crisis, as tensions rise over poor education and other public services.

Data from the *Haut Commissariat au Plan* (HCP, the national planning commission), led by Ahmed Lahlimi, shows that having dropped from 15.3% in 2001 to 4.8% in 2014, the number of Moroccans living in absolute poverty (under \$1.90 per day) has been rising again, to an estimated 6.6% in 2020, with many more classed as 'vulnerable to poverty'.

POLITICAL JOSTLING

While Moroccans struggle with the impact of Covid-19, the political class is jostling for power ahead of legislative, regional and local elections in 2021. Getting out its core vote in urban lower middle class and other loyal groups, the *Islamist Parti de la Justice*

et du Développement (PJD) is expected again to emerge as the largest party and, therefore, will be first to try to create a coalition government, under the terms of the 2011 post-Arab Spring constitution. This will not unduly worry the Palace, to whom the PJD's Othmani has been helpful and loyal (AC Vol 58 No 25).

Of more concern to M6 and his long-standing political counsellor Fouad Ali el Hima is a mooted return to frontline politics of former PJD leader and prime minister, Abdelilah Benkirane, by far Morocco's most charismatic and talented politician (AC Vol 58 No 7). Also adding to pressure on Othmani is rising PJD player and Fes mayor Driss el Azami. A hardening of mainstream Islamist positions would exacerbate the persistent battles under way in and around the government, pitting politicians who emerged from the Muslim Brotherhood tradition against M6's favoured ministers.

Efforts to increase the popularity of palace-friendly politicians to counter the PJD and Benkirane have fallen short. Aziz Akhannouch continues to position the *Rassemblement national des indépendants* (RNI) as a potential majority party of government in spite of his Afriquiya petrol stations being one of three major local brands targeted by an unprecedented consumer boycott which launched on social media in April 2018 (AC Vol 59 No 17 & Vol 58 No 2).

Signs that Akhannouch's star has waned came when M6's private secretary Mohammed Mounir el Majidi quietly intervened last year to stop the minister enlarging his local media holdings (AC Vol 53 No 10). But Akhannouch's efforts to build up the RNI – which now has some 150,000 registered members – is appreciated by the *Makhzen*. Akhannouch has declared an extraordinary congress for 7 November – Morocco's first ever virtual party congress – to engineer his re-election as party leader.

Covid continues to wreak havoc on local politics. The opposition *Parti de l'authenticité et de la modernité* (PAM) held its congress before the lockdown, electing a new leader, Abdellatif Ouahbi, but has since been unable to elect a new politburo (*bureau politique*).

Three years into the job at the traditional nationalist *Parti de l'Istiqlal* (PI – Independence Party), former finance minister Nizar Baraka is positioning himself as a more cerebral potential leader of the future coalition's

'loyalist' parties; also looking for a bigger role is the *Union socialiste des forces populaires* (USFP)'s **Driss Lachgar**.

But it is the King's health that is the main focus of attention, given the central role the 57-year-old continues to play. For long a secret kept behind Palace walls, the state of M6's health is now a long-term public concern. He has looked tired and out of breath in recent months and earlier recorded a noticeable gain in weight which was put down to steroids used to control his asthma. Heart problems were reported during hospital stays in Paris two years ago and Rabat. In mid-June the official news agency MAP reported he had undergone successful surgery for a heart rhythm disorder.

Against this background, media images of the willowy, impeccably

dressed 17-year-old Crown Prince **Moulay el Hassan bin Mohammed al Alaoui** meeting global celebrities, including **United States** presidential son-in-law **Jared Kushner**, invite speculation about a king-in-waiting. He looks more the part than his father ever did standing alongside Hassan II before taking the throne 21 years ago. Such set pieces are meant to underline continuity and the monarchy's long-term stewardship (AC Vol 60 No 17).

Official media highlight the heir apparent's wide range of accomplishments; social media critics allege a capricious nature as prone to colères royales as his grandfather and father. A Regency Council was put in place in 2016 to exercise royal power and constitutional rights until any new monarch reaches 18 (AC Vol 60 No 2 &

Vol 58 No 25).

Health is not the only pressure on M6. Washington sent Kushner to pressure Rabat into joining the **United Arab Emirates** and **Bahrain** in normalising relations with **Israel**. Although Morocco has maintained quiet economic, security and other links with Israel for several decades, most analysts believe M6 will resist formal recognition because of the potentially hostile reaction from the street.

Meanwhile, regional relations are posing more headaches for Rabat. French Foreign Affairs Minister **Jean-Yves Le Drian's** third visit this year to Algiers, on 15 October, did not go unnoticed and will encourage Foreign Minister **Nasser Bourita** to come up with an even more proactive Moroccan regional response. ●

CENTRAL AFRICAN REPUBLIC Elections and bust

The country goes to the polls in December but the organisation of the vote doesn't promise improved accountability

At the end of the year citizens are supposed to cast their votes for a new parliament and a new president. An atmosphere of indifference pervades most circles, but there is excitement among the urban elite as rumours fly about the amount of money changing hands as they speculate on which politicians will shift from opposition to the side of the incumbent, President **Faustin-Archange Touadéra**. The past four years have seen ample funding for government, but few real achievements. The international community has been attracting increasing criticism for over-generosity in endowing political institutions while turning a blind eye to corruption.

Bangui remains the focus of all political and administrative activity. Rural areas did not see much of the funding that flowed from Touadéra's foreign supporters: **France**, **Russia**, the **United States**, the European Union and the World Bank. Although a key goal of reconstruction after an almost complete societal breakdown was to extend the reach of the state to all corners of the nation there is little to show for it.

Apart from a cluster of regional prefects, a few outposts of the *Forces Armées Centrafricaines* (FACA – the national army) and *Forces de Sécurité et de Défense* (FSD, gendarmes), the state is almost totally absent from Bangui's hinterland; no teachers, magistrates, or

health professionals fly the flag for the civil state.

Although they have had years of EU and Russian training, the FACA is not deployed in regions where it is most needed. The few soldiers there are – about 500 in the West, 200 in the Central Region and 50 in the East – keep to the barracks of the UN troops, the *Mission multidimensionnelle intégrée des Nations Unies pour la stabilisation en République centrafricaine* (Minusca), or set up roadblocks to extort money from traders and travellers, just as the militias do in the 70% of the country that they control.

The 13,400 troops and support staff of Minusca are not proactive – it is not part of their mandate – and keep a low profile, citing the February 2019 Khartoum peace agreement as a fig leaf to justify their passivity (AC Vol 61 No 10).

The Khartoum agreement is seen by many of the international actors as the only game in town, but it is clearly not being enforced. Fighters are not in cantonments and there are no sanctions on armed groups that signed the agreement reluctantly and persist in violating it. The current situation favours Touadéra because he dominates the electoral infrastructure in the areas where the armed groups are in control. Political parties have to ask permission of the militias to campaign in their areas. The current situation also allows

Russian operatives to cut their own deals with the armed groups.

Preparation for the elections has been controversial. The opposition wants a government of national unity, which would weaken Touadéra's grip on the cabinet and on the electoral commission, the *Autorité Nationale des Elections*. The ANE, after a vote in parliament which left many MPs better off, was reformed in such a way that increased Touadéra's grip on it. None of the claims of widespread manipulation, however, can yet be sustained because the registration process is still in its early days.

Minusca and its leader **Mankeur Ndiaye** side politically with Touadéra, and have been criticised for it by donor representatives of the international community in a group called Bangui G5. The Central African Republic budget is 65% funded by international aid – about €235 million – although that share is likely to grow, given the highly optimistic projections for revenue collection. No conditionality is in place although some projects that were blatantly plundered have been frozen.

Opposition leaders worry that corruption will increase, given the political environment. One reason is Russia. Scrutiny and probity are not top of the agenda when France, the US and the EU are trying to convince the local elite that they are much better friends to them than Russia. Funds flow without strings.

Also, the Western donors did not criticise the creation of a presidential guard, even though it was no part of Security Sector Reform plans and its 800 members are mainly of Touadéra's own Mbaka Mandja ethnic group in Damara and are better equipped than the FACA. They are only used in

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presidential protection duties or against his political enemies.

Another reason for the international community to fall in behind Touadéra, despite his disadvantages and lack of probity, is the candidacy of ex-President **François Bozizé**, the old schemer who was ousted by the *Séléka* rebels in March 2013 (AC Vol 61 No 15). Technically, he may be excluded because he won't have been in the country for at least a year, as legally required. Regardless of whether he is allowed to stand, riots are being prepared in Bangui and other towns by his supporters, we hear. If he stood and won, revenge against his enemies would probably follow and threaten yet another internal refugee crisis.

However, a second mandate for Touadéra could see plunder on a scale not yet witnessed. Hardly a day goes by without a new financial scandal emanating from the presidency or a ministry. The latest was made public by Radio Ndeke Luka, a popular station with a good reputation. Some 155m CFA francs (€230,000) were disbursed by the Treasury to allegedly pay the fuel needed by 20 old tanks and armoured vehicles so they could drive from Bangui to the Berengo Russian training camp 60 kilometres away in a show of force. And that's

even before anybody has engaged an enemy.

There are also strong rumours about a **Chinese** company that is constructing and rehabilitating buildings while not forgetting also to erect mansions for key government ministers. International Monetary Fund and other international financial institution officials are aware of money-laundering on a large scale, we hear.

At the end of October, a joint AU-UN and Economic Community of Central African States mission spent three days in Bangui and met the President, the presidential majority, whose main component – the *Mouvement des Coeurs Unis* – claims to have more than 1.6 million members in an electorate of 2 million, and the opposition.

The opposition rose above its usual splits to denounce the failure to enforce the Khartoum peace agreement and several dubious arrangements made for the elections, but the delegation leaders, AU security chief **Smaïl Chergui**, UN Peace Operations boss **Jean-Pierre Lacroix** and ECCAS chair **Gilberto Da Piedade Verissimo**, then issued a statement congratulating first themselves, and then others, for having successfully implemented the Khartoum agreement and laying the groundwork for elections. ●

LIBYA

Hope without optimism

War-weary citizens welcome the UN-brokered ceasefire but the foreign sponsors of the conflict have the casting vote

Politicians and fighters in Libya's civil war are due to meet for face-to-face talks in Tunis on 9 November in what will be a key test of the latest UN-brokered ceasefire. Hopes are running high that what the UN calls the permanent ceasefire signed between the two main sides in Geneva on 23 October could be a first step towards a wider peace and power-sharing.

Once regarded as a placeholder, UN Special Representative **Stephanie Williams's** standing is growing as political talks follow the ceasefire technicalities (AC Vol 61 No 16). The UN sees the ceasefire as a triumph for its Support Mission in Libya (UNSMIL) and its Joint Military Commission (JMC).

The parties agreed that: all military units and armed groups had to withdraw from the front lines and return to camp; all foreign fighters had to leave the country within three months; and all

foreign military trainers should leave and all military agreements with foreign governments would be suspended until there is a unified national government.

The last two points were directed at the fighters and officials supplied by **Turkey** to the Tripoli-based Government of National Accord (GNA), as well as **Russia's** Wagner Group, which is backing the eastern-based General **Khalifa Haftar**. The agreement built on the temporary ceasefire of August signed by GNA head **Faiez el Serraj** and **Aguila Saleh**, the president of the Tobruk-based parliament, the House of Representatives (HoR). Until then Saleh had fully supported Haftar.

The turning point in the conflict came nearly five months after Haftar was forced to abandon his aim of capturing Tripoli in a military onslaught.

Representatives from both sides at Geneva have continued discussions via

tele-conference about the technicalities of the ceasefire. The next stage will include wider political talks.

Little mention has been made of the atrocities in the conflict since the overthrow of **Moammar el Gaddafi** in 2011. Local activists and the New York-based Human Rights Watch argue that without some commitment to holding fighters accountable, plans for the demobilisation of forces and building a unified national army will falter.

In June, the UN Human Rights Council adopted a resolution calling for a fact-finding mission to go to Libya to investigate abuses committed by all sides since 2016.

Ahead of the meeting in Tunis, Williams published a list of 75 prominent Libyans invited to take part in the Libyan Political Dialogue Forum (LPDF), including over two dozen members of the HoR and the Tripoli-based State Council.

In preparation, virtual discussions between LPDF members started on 26 October. Among the objectives is to revamp the Libyan Political Agreement agreed in December 2015 and the appointment of a new interim government to lead the country until fresh elections, probably in mid-2022 (AC Vol 59 No 7).

In response to pressure from both the Tripoli government and the UN mission, GNA head Serraj rescinded his resignation on 31 October, promising to stay until a new presidential council is installed.

Libyan citizens have greeted the ceasefire with hope. As well as wanting peace they feel threatened by the pandemic and plummeting standards of living. As of 1 November, 62,907 Libyans had been infected, 880 had died and new infections are rising at around 1,000 a day. The country's medical services, weak even before the 2011 revolution, cannot cope. Many Libyan lives depend on ending the conflict.

Yet amid silence from Haftar and lip-service from the foreign powers, caution remains uppermost. The hope is that the longer the ceasefire lasts, the greater the opprobrium attaching to the one that breaks it.

In addition to the ministers and government supporters who welcomed the ceasefire, there were also militants. A leading hard-line militant in Misurata who figured prominently in the battle against Haftar's forces, backed the peace. 'I really hope it all works,' he told *Africa Confidential*, adding 'we will accept anything' to bring about an end to the conflict – anything except an accommodation with Haftar. The extent to which the different parties, and most importantly their foreign backers, stick to their red lines will determine the fate of the peace process.

External parties have welcomed the deal. **Egypt**, which used to support Haftar militarily, and the **United Arab Emirates**, which continues to, have welcomed it, as have **France**, **Italy**, the European Union, the **United States** and Russia.

Russian foreign minister **Sergey Lavrov** called it 'good news' but he said the ceasefire would have to be backed by verification. The UAE has reservations about any deal with forces allied to the Muslim Brotherhood, which has a solid base – reckoned about 15% of the Libyan electorate – in the Justice and Construction Party, although it denies being the MB's political front. Stemming the influence of the MB has been a key goal – perhaps the only goal – behind the UAE's massive intervention in the conflict.

US Secretary of State **Mike Pompeo's** welcome for the deal was no surprise. The US had supported UNSMIL's work through US ambassador to Libya **Richard Norland's** visits to Ankara, Cairo and Athens. Pompeo stressed the JMC's call for foreign forces to leave the country within three months because Washington wants to reduce Russia and

FOREIGN KEY TO GENEVA ACCORD

A critical obstacle to progress on the accord could be the Libyan National Army's (LNA) accusation that the Tripoli-based Government of National Accord is already in breach of the ceasefire by signing new military training agreements with **Turkey** and **Qatar**. The influential GNA Interior Minister **Fathi Bashagha** signed a security cooperation agreement with Qatar on 26 October. The defence ministry in Tripoli has already stated, along with the Muslim Brotherhood-dominated State Council, that military collaboration with Turkey would continue regardless.

Even if the Libyan Political Dialogue Forum (LPDF) opens as planned on 9 November, there is no guarantee it can come up with a sustainable interim government to replace the GNA or produce practical proposals. The challenge is to garner a two-thirds majority in the House of Representatives which would enable whatever is proposed in Tunis to be integrated into the 2011 Libyan Constitutional Declaration, which acts as Libya's interim constitution.

Another potential stumbling block is the city of Sirte, currently in the hands of the LNA and the Wagner Group. Both HoR president **Aguila Saleh** and the **United States** want the new interim administration to move there temporarily, away from the power of the militias in Tripoli, but there is scant prospect of that if the **Russians** and the LNA remain.

Much depends on Turkey. It is the dominant power in western Libya, much more so than Russia in the east. The airbase at Watiya, near the Tunisian border, is now as much Turkish as the US military base at Ramstein in **Germany** is American, for example. Turkey will not surrender its new powers easily.

This leaves the LPDF process in a dilemma. If it emphasises the JMC call for all foreign forces to leave the country, Turkey could reject it. If it does not, then the LNA and its supporters could be the rejectionists.

There are some encouraging signs. After eight months of oil export blockade organised by General **Khalifa Haftar** and his supporters, he agreed in mid-September to reopen the oilfields and terminals, subject to conditions, mainly about increased investment in the east. If that didn't start within a month, he had threatened to close the industry again.

All the fields and terminals that were operating before the closure have now restarted: production is reported to have leapt from less than 100,000 barrels a day before the reopening to around 700,000 b/d in the week-ending 31 October. It is expected to reach 1 million b/d by the end of November if there are no further stoppages. But none of Haftar's conditions have been met. He did renew his threats to stop production just before the deadline but then allowed it to pass unchallenged. He doubtless fears a public opinion backlash from the power cuts that would start again.

Haftar's silence suggests he is still weighing the UN's proposals. If he restarts the conflict, he risks defeat in the field and permanent irrelevance. If he accepts compromise, he could lose the support of his backers, although it would keep him at the table.

The trick for the UN and its supporters is to make peace the most expedient as well as the most desirable option in principle. That will require deft handling and luck. ●

Turkey's influence in Libya.

A discordant note came from Turkey's President **Recep Tayyip Erdogan**, claiming it lacked credibility as the JMC does not have the legal power to implement or police a ceasefire.

On the face of it, Libya and UNSMIL are back where they were at the beginning of April last year when a grand Libya conference facilitated by UNSMIL was due to take place in the historic southern city of Ghadames, near the border with Algeria and Tunisia. But with just days to go the meeting was sunk by Haftar's attack on Tripoli (AC Vol 60 No 8).

Things could go wrong again. UNSMIL's list has stirred up a hornets' nest. The *Ihya Libya* ('Reviving Libya') movement of **Aref Nayed**, **Aguila**

Saleh's special envoy to Europe until he resigned in September to concentrate on his own political ambitions, has demanded changes.

It wants more figures from southern and eastern Libya included and dislikes what it sees as undue weight given to the MB, which has been allocated several seats. It also complains of lack of transparency by UNSMIL in not listing its selection criteria.

Other delegates may also find the presence of the MB unpalatable, with boycotts resulting. Boycotts would give those opposed to the LPDF's proposals the excuse of rejecting them because the body was 'not representative'. But boycotters risk being seen as enemies of peace if their objections are not credible. ●

POINTERS

Côte d'Ivoire

OUATTARA SWEEPS HALF THE BOARD

■ The voting figures show a deeply divided nation. Although President **Alassane Ouattara** won a third successive presidential term with 94% of the popular vote, it was on a mere 53.9% turnout. That figure combines turnouts of 95% plus in Ouattara's heartlands in the north with turnouts that fell as low as 21% in Zouan-Hounien, in the west, and 36% in Gagnoa, in the cocoa belt. Political life is in deadlock. While the head of state carries on as normal, the opposition has unilaterally announced a 'national transitional council', which was condemned by the government.

Pre- and post-poll violence having already claimed dozens of lives, West African neighbours and a distinctly uncomfortable international community are pleading for reconciliation. EU foreign policy chief **Josep Borrell** expressed concern about the disparity in regional turnouts but officially Brussels only 'took note' of the poll result.

Ouattara wants to plough on regardless. His main opponents, **Henri Konan Bédié** and **Pascal Affi N'Guessan** – who boycotted the poll even though their names were on the ballot papers – are challenging the legitimacy of the president's mandate.

Last week, Ouattara talked of amending the constitution to impose an age limit on presidential candidates, but that looks like a vindictive attempt to block off any political future for Bédié or former President **Laurent Gbagbo** before the latter is allowed to return home, which Ouattara has promised to do.

Tanzania/Mozambique

INSURGENTS CROSS BORDER

■ Many noted the bitter irony of President **John Magufuli's** government arresting all the leaders of Tanzania's opposition parties on clearly absurd terrorism charges (see feature) at a time when real terrorists have been causing havoc in the country's deep south.

The government kept the attacks out of the media to prevent them disturbing the election campaign of the ruling *Chama Cha Mapinduzi* (CCM), but nobody is underestimating the danger that Islamist insurgents from Cabo Delgado in northern Mozambique crossing the border now pose to Tanzania. They hit the small town of Kitaya on 14 October killing over 20 people, routing a Tanzanian People's Defence Force column sent to deal with them (AC Vol 61 No 21).

A TPDF camp had been set up nearby specifically to deal with such a contingency, and its failure to cope has shocked the government. A video circulated by the insurgents showed a dead Tanzanian soldier's head being hacked off in front of a TPDF armoured personnel carrier. In another video an 'Al Shabaab' insurgent announced that 'we have come to remove Magufuli', before calmly ripping in two one of the President's election posters.

The government's response can be predicted. Previously, suspected Islamist terrorists – some of whom may even have since moved to northern Mozambique – were rounded up by security forces and ruthlessly expunged. During a counter-terror operation in Kibiti District in Pwani Region in 2018, hundreds disappeared and bodies subsequently washed up on the beaches of Dar es Salaam's Msasani Peninsula, home to much of the foreign diplomatic corps. Some were found opposite the **United States** ambassador's residence (AC Vol 59 No 7).

Mozambique has been reluctant to ask for help from its neighbours and diplomacy has never been President Magufuli's strong suit. In such circumstances, the fear is that Tanzania will lash out with scorched earth policies and more disappearances, which carries the risk of spreading instead of suppressing the insurgency.

All access to the southern border has been denied to outsiders and unconfirmed reports from Mozambique speak of rockets being fired from Tanzania, killing ordinary villagers.

Algeria

SICK OF EVERYTHING

■ The 74-year-old President, **Abdelmadjid Tebboune**, is seriously ill with Covid-19 while the body politic shows no signs of recovery either. The turnout for the 1 November referendum on a revised constitution was a poorly 24%, which means the two-thirds majority in favour can hardly be counted as a mandate.

Tebboune did not break with former practice by *le pouvoir* ('the power'). He was at first confined in the state-of-the-art Aïn Naâdja military hospital, where the elite normally go for treatment. But when his condition deteriorated, possibly aggravated by an underlying heart problem, he was flown by private jet to a hospital in Cologne, **Germany**, while the security services tried to impose an information blackout. Only on 3 November did the Presidency admit that Tebboune had Covid-19. The president's sister **Halima** died on 31 October, although the cause has not been revealed.

The trip to Germany must have been essential, because Tebboune would not otherwise have missed his own party, the referendum on his blueprint for the country's political future (AC Vol 61 No 20). Supporters of the opposition *El Hirak* (The Movement) and other Algerians decided to skip this invitation and stayed away in droves.

Nationalist hardliners, as well as *El Hirak* and other opponents, are calling for the government to show how it will govern with a sick president. Ex-president **Abdelaziz Bouteflika's** long infirmity is being cited as the precedent to avoid. The military will be tempted to play a guiding role, potentially allowing Chief of Staff Maj Gen **Saïd Chengriha** to consolidate his hold after a period of reported tensions with Tebboune, while key presidential aides are also suffering from coronavirus.

World Trade Organization

ONE LAST HURDLE

■ When World Trade Organization General Council Chair **David Walker** recommended on 28 October that **Nigeria's** ex-finance minister **Ngozi Okonjo-Iweala** be appointed Director-General, three months of consultation seemed to be over (AC Vol 61 No 14). Then came the **United States'** insistence that the competition was still open and it favoured former **South Korean** trade minister **Yoo Myung-hee**.

The appointment has traditionally been made by consensus, and the US does not have a veto. Senior WTO officials could still make a formal announcement on Okonjo-Iweala's appointment following a general council meeting scheduled for 9 November at the WTO in Geneva, but the second wave of Covid-19 has prompted officials to consider postponing the meeting.

US President **Donald Trump** has been a major critic of the WTO throughout his term, and his administration has hobbled the institution's Appellate Body – known as the 'supreme court of world trade' – by blocking the appointment of new judges, denying it a quorum.

But the true source of the US opposition to Okonjo-Iweala is hard to pin down. US Trade Representative **Robert Lighthizer's** statement that the next WTO chief must have 'real, hands-on experience in the field' threw little light on their motivations. Yoo negotiated the Trump administration's first successful trade deal back in 2018. Okonjo-Iweala, though boasting impeccable qualifications as a top international bureaucrat, has never led negotiations on a trade agreement (AC Vol 61 No 20). There are also suggestions that Lighthizer regards Okonjo-Iweala as 'too close to pro-trade internationalists'.

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BLUE LINES

Zambia ran out of road on 13 November when its debt negotiations hit an impasse and it became the first African country to default since the Covid-19 pandemic hit the continent's economies. The crisis could also force a more coordinated response from the G20, the Paris Club of official creditors and commercial lenders. On 20 November, the G20 finance ministers are to meet to produce a more considered plan.

Zambia's case with US\$12 billion of debt is particular and complex at the same time. Well before the pandemic, President Edgar Lungu's government was heading for an economic crash. The desperate secrecy surrounding its borrowings from China's development banks and commercial companies was a symptom of a wider malaise. It makes resolving the crisis far more difficult, pitting one set of creditors against another.

Zambia framed its request for an interest freeze as part of the G20's Debt Service Suspension Initiative, arguing that it was making the same demand of all its foreign creditors, including private lenders. Holders of Zambia's \$3bn of Eurobonds think otherwise. They suspect the government wants to pay all its arrears to China's lenders before the start of more general debt restructuring talks. Equally, Chinese lenders don't want any debt relief they offer to be used to benefit wealthy lenders in Europe and the US. It's a messy mix of geopolitics and commercial calculation. The core elements to support serious negotiations – transparency and a credible national recovery plan – are not on the table.

ETHIOPIA

Hard choices ahead in Addis

The Prime Minister's attack on Tigray and his push for a unitary state raises concerns about political autonomy in other regions

It is the beginning of the end, insisted Prime Minister **Abiy Ahmed** on 17 November as federal forces started marching on Mekelle, the regional capital of Tigray. The previous day, Abiy's government had announced the end of a three-day amnesty for Tigrayan special forces and militia to surrender. Around that deadline, the federal airforce launched fresh bombing raids on Mekelle and other towns and military positions.

The operation to 'restore law and order' in Tigray will be short-lived, repeats Abiy, determinedly refusing mediation or negotiations (AC Vol 61 No 23). With hundreds killed in the first two weeks of fighting and 30,000 fleeing across the border to **Sudan**, international pressure will mount on Addis Ababa if the fighting continues, particularly for a ceasefire to allow in humanitarian relief.

Abiy's chief foreign supporter in his Tigray strategy is **Eritrean** President **Issayas Afewerki**. Leaders of the Tigray People's Liberation Front (TPLF) tried to encourage international pressure on Ethiopia on 14-15 November by launching three missiles at Asmara airport, raising the regional stakes of the conflict.

The TPLF may, however, have walked into a trap. One of the party's senior officials has said that the TPLF acted in 'anticipatory self-defence' when it opened the fighting with an attack on Northern Command bases controlled by the Ethiopian National Defence Force in Tigray. But the timing suited Abiy, coming the morning after the messy **United States** presidential election, and a few days after

Ethiopia took over the chair of the African Union's Peace and Security Council for November. Ethiopia's former Foreign Minister, **Workneh Gebeyu**, is Executive Secretary of Intergovernmental Authority on Development, and Sudan's Prime Minister **Abdalla Hamdok**, another Abiy ally, is the current chair.

DISASTER WARNING

The timing for Tigray was awful. The harvest has yet to be collected, and it has been badly hit by locust swarms. Before the fighting started, Productive Safety Net Programme (PSNP), a donor-funded famine-prevention scheme, was supplying a million people in Tigray. In addition, 96,000 Eritrean refugees in the region and 100,000 other displaced people were receiving aid.

UN officials are warning of a humanitarian disaster, with no relief access to the region, for food, medicine and other emergency supplies.

The UN High Commissioner for Refugees has sounded the alarm about the line of refugees crossing into Sudan, increasing by several thousand a day. TPLF leader and regional President **Debretsion Gebremichael** called for mediation on 14 November, urging the UN and AU to engage: 'Abiy Ahmed is waging this war on the people of Tigray and is responsible for the purposeful infliction of human suffering.'

For now, President Issayas is limiting logistical support to allowing some of those troops of the Northern Command who remained loyal to the federal

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government to retreat into Eritrea from Tigray. From there they have regrouped to launch attacks around Badme and Zalemessa. Issayas also massed troops around Bada in Eritrea, and he gave artillery support to the federal attack on Humera on 9 November. But there hasn't been any sign of Eritrean operations inside Tigray, with Issayas reportedly warned by military chiefs that his forces could not support prolonged operations in Tigray.

With the border with Sudan open only to civilians, the TPLF is cut off from external support. A wider conflict involving Eritrea would increase pressure on Abiy to agree to a ceasefire, which could leave the TPLF in control of

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ETHIOPIA – FEDERAL FORCES ADVANCE ON MEKELE



at least some parts of Tigray.

With the humanitarian situation and its military capacity deteriorating, the TPLF needs an intervention, and indeed it may have calculated on that happening. As a defender of the ethnic federal Constitution, it may also have assumed it would win support from other regions for a federal structure.

Although Abiy came to power through the federal system, he is pushing for a more powerful centralised authority that not all Ethiopians would welcome. His unitary project is designed to appeal to the Amhara (27% of the population) rather than Ethiopia's other nationalities, which welcomed Article 39 of the 1995 Constitution allowing self-determination up to and including secession (AC Vol 61 No 18).

There may be support for constitutional change, even for Abiy's campaign to remove the TPLF, but few Oromos (35%) or Somalis (6.2%) want to see their regions reintegrated into a unitary state. Last year, Abiy felt obliged to let the Sidama have a region; there are 10 other nationalities in the Southern Region now angling for their own regions.

The TPLF claim to be supporting the 1995 constitution against an attempted return to a centralised autocratic regime has won little sympathy (AC Vol

61 No 20). That's due to the excesses of the TPLF cadres who dominated the Ethiopian People's Revolutionary Democratic Front (EPRDF), rather than support for centralisation of power.

Both the conflict and the politics around it raise questions about the national elections due in May or June next year. Abiy will have to work hard to reconcile his critics if his Prosperity Party is to win a majority. His government's actions against its critics in Oromia have cost him support from much of his own Oromo constituency. Many say he has now tilted towards Amhara nationalists.

INTER-ETHNIC CLASHES

This has been underlined by several inter-ethnic clashes. There was a horrific attack in the village of May Cadera in Western Tigray on 9 November where about 500 people were killed with knives and machetes according to Amnesty International. It is not clear who was responsible, although the federal government blamed the TPLF; Amnesty reports that some survivors have backed this claim. Yet refugees arriving at al-Fashqa in Sudan have identified the attackers as an Amhara militia on an ethnic killing spree.

Addis Ababa's Human Rights Commission has promised to

investigate; the TPLF has called for an international enquiry. UN rights chief **Michelle Bachelet** also called for a full investigation, saying the killings could amount to war crimes.

Wherever responsibility lies, it points to the extra risks of the involvement of ill-trained regional militias in the conflict: whether in the federal government's advance into areas of western Tigray claimed by Amhara or in the TPLF's mobilisation of its militia forces.

All of Ethiopia's ethno-federal states have their own militias as well as Special Police. The ethnic element is central to the crisis, notably the rounding up of Tigrayans in Addis Ababa, and the dismissal of Tigrayans from the civil service, government administration and the security services, where they were dominant.

A series of ethnic conflicts have blown up in recent months, with an estimated 2.5 million Ethiopians having fled their homes in the past three years due to clashes involving the Oromo, Amhara, Sidama, Gumuz, and Somalis.

Several politicians have been stoking ethnic hatred, often at its worst on social media.

Abiy targets the TPLF with attacks on its record in power. He has referred to criminal mafia masterminds, and coined the phrase '*ye-qen jiboch*' (daytime hyenas) to describe TPLF leaders. But his supporters in government and wider society use it against all Tigrayans. Beyond the conflict in Tigray, there are growing clashes and repression by regional security forces. For example, on 1 November a militia attack killed at least 54 people in a schoolyard in western Oromia.

All this has raised fears of a Yugoslav-style unravelling. Determined to avoid this, Abiy wants to restore an effective centralised authority. At the end of last year, he replaced the four-party

SETBACK FOR REGIONAL STANDING

Prime Minister **Abiy Ahmed's** involvement in negotiations over **Sudan's** transitional government and bringing **Somalia** into the mooted Horn of Africa Cooperation body had promised to boost Ethiopia's status in the region, but the Tigray conflict puts these initiatives at risk.

The Horn of Africa Cooperation was proposed as an addition to membership in the AU and the Common Market for Eastern and Southern Africa (Comesa). It was designed as the fulcrum for regional integration revolving around Ethiopia. Abiy had brought Somali President **Mohamed Abdullah Mohamed 'Farmajo'** into the negotiations (AC Vol 61 No 16).

Establishing the Horn of Africa Cooperation would require a peaceful, stable Ethiopia. It would also require transparency over aims and policies, which has not been forthcoming from a secretive agreement between Abiy and **Eritrean** President **Issayas Afewerki**.

There was little enthusiasm in the region when it became apparent that Issayas saw the Horn of Africa Cooperation as a replacement for regional body the Intergovernmental Authority on Development. Although there are concerns about IGAD's effectiveness, no other state shares Eritrea's aim of replacing it, and run the risk of undermining the security efforts of IGAD, the Eastern Africa Standby Force and the East African Community (AC Vol 60 No 7). ●

EPRDF with his own single Prosperity Party. Its structure is organised to run a centralised state rather than the current ethnic-federal system.

For this, Abiy would have to revise the constitution, to reject the ethnic element in the current federal structure. He and his party would be the controlling factor in the restructured government. This may satisfy those Amhara whose parties look back nostalgically to the highly centralised imperial system. But it would not win support from the other nationalities who gained some regional autonomy under the EPRDF's constitution: Oromos, Somalis, or indeed Tigrayans.

If Abiy wins the conflict, he would try to impose a new government in the Tigrayan capital Mekelle. Through parliament, he has already appointed a new president for Tigray, **Mulu Nega**, previously federal deputy minister for science and higher education.

There are also political parties and

others in Tigray opposed to the TPLF, some advocating independence for Tigray, others including former TPLF leaders willing to work with Abiy and the PP. Local support for them is questionable. They were irrelevant in the regional election in Tigray in September when the TPLF took 98% of the votes in what appears to have been a credible election, although it was dismissed by the federal government and parliament as illegal and unconstitutional.

Any prolonged operations against Tigray or continued inter-ethnic conflict will threaten the stability of Ethiopia and the region, and will further damage an economy already battered by the impact of Covid-19. To navigate out of this crisis, many are calling for a national dialogue ahead of the upcoming elections, followed by a national convention to revise the 1995 constitution and federal system. For now, this seems far from the agenda of the government in Addis Ababa. ●

ETHIOPIA

Risks on all fronts

The Prime Minister's stonewalling of peace overtures is winning him few friends as disputes beyond Tigray are confronting Addis

P rime Minister **Abiy Ahmed** has been steadfast in rejecting widespread calls for negotiations since fighting broke out with Tigray on 4 November, ignoring appeals from the United Nations, the African Union (AU) and the regional Intergovernmental Authority on Development (IGAD).

Instead, on 14-15 November, he

sent a series of delegations to explain Ethiopia's position to surrounding countries. But, as Abiy tries to build support, there is a risk of an intervention by **Eritrea** that would make the situation even more explosive (AC Vol 61 No 23). Meanwhile, tensions are high with **Egypt** and **Sudan** over the Grand Ethiopian Renaissance

Dam (GERD), which poses the risk of additional conflict over the waters of the Blue Nile.

Abiy's plenipotentiaries to persuade neighbouring countries of the rightness of his cause include: Deputy Prime Minister **Demeke Mekonnen**, now also Foreign Minister, who has visited **Uganda** and **Kenya**; former Foreign Minister, now National Security Adviser, **Gedu Andargachew**, who went to **Djibouti**; and President **Sahle-Work Zewde** herself, who attempted to bring round Khartoum. Kenya, Uganda and Djibouti have all called for talks to end the fighting.

A clear risk now is an Eritrean intervention to help crush the Tigray People's Liberation Front (TPLF), and

REVERBERATIONS IN SOMALIA

Ethiopian troops have been ordered back to join the fray in northern Ethiopia amid reports of conflict within the federal forces stationed in **Somalia** to fight the *Al Shabaab* Islamist militia.

Somalis familiar with the Ethiopian military contingent say there were internal tensions in August, when about 30 soldiers, all said to be Oromo, deserted their barracks in the Liben area of Ethiopia, on the border with Somalia, for their homes. Most were arrested but some made it all the way home, we hear.

In late September, a couple of weeks after Tigray's 9 September election, or possibly early October, Amhara and Tigrayan troops clashed in the Ethiopian border garrison of Dolo. A number of officers and soldiers were arrested and sent back to Addis Ababa. Another incident, opposing Oromo and Amhara soldiers, which has not been confirmed, may have taken place in a camp in south-western Somalia.

As soon as hostilities broke out between the Tigray People's Liberation Front (TPLF) and **Abiy Ahmed's** government on 4 November, all 5,500 Ethiopian troops present in Somalia under bilateral agreement with the government in Mogadishu were sent to Gode, an important town in Ethiopia's Somali Province. They had been stationed in Baydhabo, Qansahdheere, Berdale, and the main cities of the Gedo region. Meanwhile, the 300 specialist Ethiopian troops training other members of the African Mission in Somalia (Amisom) also went back to Ethiopia.

The government in Addis Ababa wants to check on the loyalty of the troops gathered in Gode before dispersing them or deploying them to the conflict with Tigray, our sources say. Three of the senior officers in the Amisom Ethiopian contingent were recalled to the Ethiopian capital and arrested, sources added, including the Deputy Commander and the head of Military Intelligence. This reflects the order of the Minister of Defence, **Kenea Yadeta**, to the African Union, which is headquartered in Addis Ababa, to replace its Tigrayan head of security, Gen **Gberezgher Mebrhete Melese**.

The border between Somalia and Ethiopia is still policed by the Ethiopian army, though the best personnel have been transferred up north to Addis Ababa or Amhara region.

The departure of all these troops from Somalia gives *Al Shabaab* plenty of room to operate in Gedo, Bakool, Bay and Hiraan. However, the indications are that the Islamist militia will not move rapidly to exploit the absence of the Ethiopians. The latter were not strongly active in the area, and *Al Shabaab* is in any case betting on taking advantage of infighting between the government and an opposition that has grown in strength both in the capital and the hinterland.

It is also believed that the presence of the troops could cause a rapid rise in the temperature of politics in Somali region of Ethiopia if negotiations between the main Somali clans there break down. ●

Lieutenant-General **Abdel Fattah Burhan**, Chairman of Khartoum's Sovereignty Council, has been moving closer to Egypt on the issue.

Ethiopia's military was riled by a fortnight-long military exercise launched by Egypt and Sudan on 14 November. 'Nile's Eagles-1' covered the planning and execution of combat activities, as well as commando search and rescue missions. The newly established North-West Command, originally intended as the driving force for the attack on Tigray, has now had to divert attention to monitoring the GERD.

Earlier this year, Ethiopia increased anti-aircraft defences at the dam, which is a potent national symbol in Ethiopia. Both Addis and Tigray have accused each other of treason in their dealings with Egypt.

Ethiopia might benefit from the electoral defeat of **United States** President **Donald Trump**, removing one of the strongest supporters of Egyptian President **Abdel Fattah el Sisi's** position on the GERD. Last month Trump suggested that Egypt might bomb the dam should Ethiopia refuse the terms of the US-mediated negotiations.

Although US President-elect **Joseph Biden** will assume a more diplomatic stance, he has worked closely with Egypt's military over the last two decades, including with Sisi's predecessor **Hosni Mubarak**.

The Tigray crisis offers Egypt a chance to exploit Ethiopia's complex politics and to improve its external negotiating position over the dam. It has made overtures to Somaliland and **South Sudan** and improved relations with Sudan. This could help Cairo win support for its calls for a legally binding agreement on the use of the dam in times of drought. Egypt already has the support of the Arab League.

Ethiopia is working with the AU on a fresh round of negotiations. Current AU Chair **South Africa** looks set to support Ethiopia but next year the AU will be chaired by **Congo-Kinshasa**, which supports Egypt's position.

Relations between Sudan and Ethiopia – crucial to both the Tigray conflict and the GERD dispute – have not been made any easier by Abiy's stonewalling of calls for peace. Prime Minister **Abdalla Hamdok** reportedly made four unsuccessful calls to persuade Abiy to accept IGAD mediation. Ceasefire calls by Hamdok, who is the chair of IGAD, seem to have angered Abiy.

Ethiopia and Sudan still has unresolved border disputes. These have to be managed carefully, given Sudan's strategic position as the only bordering

the response this might trigger in Ethiopia if this is seen as an attack on the ethnic-federal political system.

Leaders in the Oromo and Ogaden regions do not back the TPLF in its struggle against Addis Ababa, but they would strongly oppose any attempt by Abiy to convert a victory into the

reconstruction of a unitary state. Such a project could end up breaking the country apart, rather than uniting it (AC Vol 61 No 18).

Eritrea has been pressuring Sudan to close the border with Tigray. President **Issayas Afewerki** sent Foreign Minister **Osman Saleh Mohammed** to Khartoum on 14-15 November to underline the need to keep the border closed. Eritrean forces of persuasion are buttressed by the influence it holds over the Eastern Front, an opposition organisation that it was largely responsible for creating in 2005, and then forcing into a peace agreement with Sudan a year later.

Tensions between Ethiopia and Egypt over the multibillion-dollar GERD remain dangerous, with the latest failure to make any progress in technical negotiations this month (AC Vol 61 No 14). Under President **Omer Hassan el Beshir**, Sudan was supportive of Ethiopia's position on the dam. But



country that could offer access to Tigray, other than an Eritrea hostile to the TPLF.

Sudan is hosting a flood of refugees, 30,000 and rising, many crossing to al-Fashqa, centre of a region extending several hundred kilometres along the border of El Gedaref state. It's a fertile strip of land which Ethiopian farmers, mostly from Amhara state, have been moving into for years, causing occasional violence. In recent years, a joint commission has made some progress in trying to define the border, but people on both sides have taken little notice and the commission has failed to complete its work.

Earlier this year Lieutenant-General Burhan announced that Ethiopian troops and Amhara state militia had seized Sudanese territory, prompting Sudan to deploy additional troops

along the border. He said herders had lost livestock and farmers their lands. Ethiopia's then Chief of Staff Lt Gen **Adam Mohamed Mahmoud** visited Khartoum in May for talks with Hamdok and Burhan, who has called for the withdrawal of Ethiopian farmers. Both sides agreed to 'control the border'.

NEW STICKING POINT

There are indications that Abiy is willing to give up any Ethiopian claims to the disputed areas along the borders of Sudan's El Gadaref and Kassala states in return for the closure of the border to the TPLF, a decision that could alienate the Amhara farmers who have been farming there for decades. The issue could become a sticking point, given the recent growth of Amhara ethno-nationalism.

Other powers from further afield have been jostling for influence in the Horn of Africa and could see the Tigray crisis as an opportunity to extend influence. **Qatar** and **Turkey** are competing with Egypt, **Saudi Arabia** and the **United Arab Emirates** for bases and influence in the Red Sea. The UAE has been using Assab in Eritrea as a staging post for the war in **Yemen** and for its activities in **Libya**.

The UAE has put substantial sums of money into Ethiopia and Eritrea since the signing of their peace agreement in July 2018 and indicated its support for Ethiopia's policy over Tigray. There are reports that it has allowed drones from Assab to be used by Ethiopian forces, presumably with the agreement of Eritrea. ●

ETHIOPIA Fears mount of all-out war

FIRST PUBLISHED 10 NOVEMBER

Talks are spurned and both sides dig in as federal forces take on Tigray's regional government

With air strikes and more troops, on 8 November Prime Minister **Abiy Ahmed** stepped up the federal government's campaign to drive the Tigray People's Liberation Front (TPLF) from power in its regional bastion. Offers of mediation by regional institutions such as the Intergovernmental Authority on Development have been dismissed so far.

Addis Ababa claims its actions are simply a law enforcement operation but its campaign risks turning into a prolonged and bloody war. The fighting has already split Ethiopia's military. Some sources reckon if its local militias are included Tigray may even have more fighters than the federal forces.

Without a rapid effort to open negotiations, the war could fragment Ethiopia's federation and destabilise the Horn of Africa.

Abiy said the TPLF crossed a 'red line' on 4 November when it attacked a military base at Dansha in the West Tigray Zone that borders **Sudan**. Dansha, where the Northern Command's 5th Mechanised Division is based, is about 25 kilometres north of the border with Ethiopia's Amhara region in a Tigray district that some Amhara factions claim as their own.

But Abiy's statement came after part of the federal army had positioned itself in west Amhara ready to invade Tigray.

It was also the day after parliament said TPLF should be labelled a 'terrorist group' amid claims it had funded Oromo rebels accused of massacring Amhara civilians in western Oromia on 2 November.

Tigray's President **Debretsion Gebremichael** told *Africa Confidential* on 7 November that now 'there is no Northern Command', meaning it is now under Tigray's control. Tigrayan officers

preponderate in the Command (AC Vol 60 No 3).

Although it's hard to know the position of all units in the Command, TPLF leader Debretsion's claim seems to some extent credible. It's partly substantiated by Abiy's admission that federal jets had targeted missiles, their launchers, and other critical military assets that were part of the Northern Command.

The Northern Command patrols the strategically vital **Eritrean** border and has at least half of the armed forces' mechanised divisions and more than a third of its personnel. Some estimates put Tigray forces at as much as 250,000 fighters.

Fighting has so far been concentrated in the west, which is possibly now Tigray's only supply route, into Sudan's

ETHIOPIA'S FEDERAL CRISIS: ADDIS ABABA TAKES ON TIGRAY



THE BITTER ROWS THAT LED TO CONFLICT

Ethiopia's federal crisis has reached this bloody crescendo following the Tigray People's Liberation Front's (TPLF) loss of control over the ruling coalition, the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF), in 2018. The TPLF-dominated security apparatus was a focal point of the anti-government protests that created the conditions for **Abiy Ahmed's** rise to power as a reformist.

But as Abiy consolidated power, partly through eye-catching liberalising measures, he also moved swiftly against the TPLF, which is widely reviled by the country's political elite and long dominated not only the EPRDF but also much of the machinery of governance and security. He and his supporters condemned the TPLF's policies when it was dominant, and they removed most senior TPLF officials from important posts, launching prosecutions against some of them as soon as they got the chance. One was TPLF politburo member and former spy chief **Getachew Assefa**, a staunch critic of Abiy as his candidacy emerged in early 2018. To federal chagrin, he remains at large (AC Vol 59 No 23).

Most seriously, Abiy and his allies believe that the TPLF has been using proxy forces and other agents to fuel ethnic conflicts across the federation to destabilise Abiy's government, which the TPLF denies.

Toxic relations turned to outright opposition late last year when the TPLF refused to join Abiy's Prosperity Party, which was created by merging all other regional EPRDF constituent parties under the coalition's banner (AC Vol 61 No 6).

The TPLF saw the Prosperity Party's unitary structure as the opening salvo in a battle to remake Ethiopia's multinational federal system by undermining regional autonomy, a concern shared by other ethno-nationalists.

After the upper house of the national parliament decided in June to extend all federal and regional governments' terms beyond their constitutional mandate, citing the need to delay elections because of the Covid-19 pandemic, the TPLF upped the ante. It pushed ahead with its own regional poll, arguing that constitutional self-determination rights trumped the apparent lack of authority for regional governments to run their own elections (AC Vol 61 No 20). The federal government dismissed the new TPLF government elected on 9 September as unlawful. Tigray shot back that Abiy's administration had no legal authority after its term expired on 5 October. On that constitutional clash, the collision course was set.

Some in Addis Ababa and elsewhere welcome the showdown, arguing that the TPLF has been bent on subverting Abiy ever since he took power. They add that the TPLF-inspired multinational constitutional order – so called ethnic federalism – is at the root of Ethiopia's turmoil. For them, removing the TPLF will solve the country's core crisis and so justifies what is set to be a catastrophic war. Yet far from reinforcing national cohesion, the campaign to eliminate the TPLF could supercharge ethno-nationalism in Ethiopia.

The Amhara mobilisation in this latest conflict will embolden hardliners in the region as it helps take on the TPLF and probably try and take territory it claims. Equally, if Tigray prevails, Amhara nationalism will be boosted in the long term by that reverse.

Some Tigrayan nationalists have already given up on Ethiopia; their cause is only helped by federal jets screaming over Mekelle. A move towards Tigrayan Independence could emerge amid the chaos. **Eritrea's** President **Issayas Afewerki** may live to regret his role in urging Abiy to remove the TPLF. Three-quarters of Eritrea's population are Tigrayan, some of whom believe the ideal end-result should be a republic of Tigray, independent of both Addis Ababa and Asmara. ●

The apparent defection of a large chunk of federal forces has not shaken Abiy but some key officials in Addis Ababa question his plan. On 8 October, Abiy dismissed the Armed Forces Chief of Staff, **Adem Mohammed**, an Amhara, who was said to have had doubts about the intervention.

Abiy has also recalled some troops from Somalia and brought back into service retired generals, indicating resources are stretched. One has been appointed the new deputy chief of staff. Abiy has rejected international calls for dialogue and mediation and looks determined to have a military solution.

DISSENT

With signs of dissent in the upper echelons of the armed forces and security services, Abiy has promoted his most loyal supporters to key posts. He has named the Oromo **Berhanu Julia** head of the military and appointed his former National Security Advisor and current Amhara President **Temesgen Tiruneh** as his intelligence chief.

Abiy appointed Deputy Prime Minister **Demeke Mekonnen** foreign minister and moved Gedu Andargachew from foreign affairs to National Security Advisor. Both men are from Amhara.

The Amhara parliament appointed **Agegnehu Teshager**, a vociferous opponent of the TPLF, regional president. All this suggests that Amhara involvement in the war will increase.

There are concerns within Abiy's administration about whether the military campaign can lead to a quick victory. So far, Abiy's plan appears to be to cut Tigray's supply lines. The federal military say that it has taken control of Dansha and other territory in the west. On 10 November, a large federal military force attacked Humera from the north.

Amhara regional police were involved in initial border clashes and irregular elements are heading north to join the fight. Aid workers report almost all the casualties arriving at Amhara facilities are federal troops and Amhara forces.

There have been no reports from the Tigray side, as telecoms and internet are down across Tigray region, other than satellite internet connections in Mekelle.

Even if federal forces achieve their short-term aims in the west, that could mean years of Tigray-Amhara conflict if Amhara forces occupy the Welkait, Humera, Tsegede and Tselemti districts that they claim TPLF illegally annexed when the federation was created in the early 1990s. It could also be a prelude to years of guerrilla warfare and disastrous suffering if the TPLF digs in across Tigray. Equally, it could trigger

Gedaref State and then north to Port Sudan. Federal troops, supported at least initially by Amhara forces, report territorial gains, but have also suffered casualties.

Sudan and Ethiopia's federal government have closed their border to contain the conflict and cut off the TPLF, and by extension around six million Tigrayans. Aid groups are already warning of a humanitarian crisis. Some 600,000 people in Tigray already needed food assistance before the fighting began.

There was also fighting in Mekelle, Tigray's capital in the eastern part of the province, on the night of 3 November, although it's not clear what happened. Abiy said that panicky Tigrayan forces attacked after the federal government tried to deliver new currency notes to the regional airport.

Others said the gunfire in Mekelle was a failed raid by federal Special Forces after landing in transport aircraft at the airport, although the incident may have been part of a struggle within the Northern Command.

a devastating confrontation if the TPLF tries to break out of what it sees as an occupation or encirclement.

Boxed in yet well-armed, it makes little sense for Tigray's leaders to play the long game. With much of the

Northern Command at its disposal, Tigray forces could strike east through Ethiopia's Afar region to the Eritrean Red Sea coastline, or perhaps even north into Eritrea. Either move would engage Eritrean President **Issayas Afewerki**,

the TPLF's arch enemy. For the last two years, leaders in Mekelle have accused Issayas of conspiring with Abiy to attack Tigray. That oft-stated claim came true on 10 November, according to the TPLF, but Eritrea denied involvement. ●

SOUTH AFRICA

Ace arrest boosts Cyril

The pro-Zuma ANC leader is standing his ground in the face of corruption charges, but his position weakens as pressure mounts

The 10 November arrest of the second most powerful politician in the ruling African National Congress on charges of corruption, following more than 100 graft-related arrests in recent weeks, has tipped the scales in favour of President **Cyril Ramaphosa** but deepened divisions in the party.

A defiant **Ace Magashule**, ANC Secretary-General, has embarked on what insiders say will be a long stand-off with Ramaphosa which will see the gap between party and government grow but will enable the president to edge forward with his plans to end corruption and revive the ailing economy (AC Vol 61 No 20).

The party's warring factions are fearful of a split in the leadership ahead of local government elections next year, an elective conference at the end of 2022 when Ramaphosa will be seeking a second term as ANC leader, and national elections in 2024.

The decision by the National Prosecuting Authority (NPA) was widely welcomed by business, civil society, opposition parties and significant elements within the ANC.

The Organisation Undoing Tax Abuse (OUTA), a leading anti-corruption body that has been instrumental in exposing and documenting graft, said that it appeared that the country was returning to the rule of law after nearly a decade of corruption under former President **Jacob Zuma** (AC Vol 59 No 4).

An emergency meeting of the ANC's top six officials, one of whom is Magashule, secured an undertaking from the Secretary-General that he would co-operate with the judicial process. But they dodged the crucial issue of whether he would stand down from his key position after he had been charged, in line with the party's anti-corruption policy reinforced by Ramaphosa in August (AC Vol 61 No 18).

'The issue did not come up,' said ANC Treasurer **Paul Mashatile** at a

media briefing. Mashatile, a former cabinet minister and former regional premier in Gauteng, has come closest in the top six to bridging the gap between the Ramaphosa and Zuma camps.

It is understood that the issue will be raised at a meeting of the 100-strong ANC national executive committee later this month but insiders say Magashule will proclaim his innocence until proven guilty and there will be no support for a hard line against him.

'We will have to seek serious legal counsel,' said Magashule's deputy, **Jessie Duarte**, who also serves on the 'top six' and faced allegations in 2016 that she was close to the Gupta brothers, who fled the country in 2018 before Ramaphosa became President.

SKELETONS

The other three members of the top six all have skeletons in their cupboards.

ANC Chair **Gwede Mantashe** is alleged to have taken favours from the late, disgraced **Gavin Watson**, whose company Bosasa was awarded billions of rands in government contracts in return for the role he and his brothers played in the ANC's struggle against apartheid.

According to witnesses at the State Capture Commission headed by deputy Chief Justice **Raymond Zondo**, Bosasa paid large bribes over an extended period to several ANC officials to keep them on-side.

Deputy President **David Mabuza**, who recently returned to his office after a long absence due to illness, faced allegations of corruption and assassinating his political enemies while Premier of Mpumalanga province. His support in 2017 was instrumental in Ramaphosa's victory (AC Vol 60 No 11).

While Ramaphosa is not being investigated for corruption, questions remain about the source of funds for his 2017 ANC presidential campaign after a court ruled that he was

not obliged to disclose the names of donors as demanded by his opponents in the party.

The stand-off could continue for months or even years. The criminal justice system in South Africa moves slowly, as demonstrated by serial delays in Zuma's fraud trial over the past two years.

A business source close to the Ramaphosa camp believes the tide is slowly turning against Magashule, Zuma and their followers, and that it is conceivable that if the prosecution of the Secretary-General succeeds the ANC could avoid a politically fatal split.

Magashule has long insisted that he had no intention of stepping aside if he was charged because he had done nothing wrong. He has also held that people charged with crimes should be suspended only on conviction.

At his first court appearance on 13 November in Free State province, about 1,000 supporters chanted 'hands off Comrade Magashule'. Some protesters set alight T-shirts bearing Ramaphosa's image despite party bosses having called for calm.

Magashule was not asked to plead and was granted bail of 200,000 rand (US\$12,823) – a paltry sum.

After the court appearance, Magashule said that he would stand aside only if requested to do so by the party branches which elected him.

The charges against him relate to his time as Free State premier from 2009 to 2018: tender fraud in a R255m (\$15.5m) asbestos roof audit contract; collaboration in a R220m (\$13m) money-laundering operation at the bogus Estina dairy; and collaboration in the theft of a valuable painting.

WHISTLEBLOWER

His prosecution was made possible by a whistleblower who contacted opposition Democratic Alliance provincial legislator **Leona Kleynhans** who received a wad of incriminating documents.

Kleynhans was subsequently contacted by journalist **Pieter-Louis Myburgh** of *Daily Maverick's* Scorpio investigative team, who presented the case against Magashule in meticulous detail in a best-selling book entitled *The Gangster State* published last year.

The book provided a rare insight into the brazen criminality of senior

ANC officials loyal to Zuma and the looting of government funds now under investigation by the Zondo Commission. Last week Zuma filed another plea which could delay his trial further (AC Vol 61 No 22).

Last month the two key alleged enablers of the Free State asbestos fraud – businessman **Edwin Sodi** and Mangaung Mayor **Ollly Mlamleli** – were arrested along with four others. The arrests were a clear indication that the net was closing around Magashule.

But there are several factors that could complicate a successful prosecution. Proving guilt in corruption trials is challenging due to limitations on the availability of witnesses and difficulty in linking defendants to corrupt acts which they might have orchestrated but not executed.

The late **Ignatius 'Igo' Mpambani**, **Sodi's** former business partner and key distributor of the ill-gotten millions, was gunned down in broad daylight while driving his Bentley in the upmarket Johannesburg suburb of Sandton in June 2017.

Sodi and Mpambani were allegedly the beneficiaries of the R255m asbestos contract between 2014 and 2016. Instead of settling the costs of the project with the millions he received,

Mpambani allegedly bankrolled a collection of luxury cars.

A criminal lawyer said that Mpambani would not only have been a defendant in the case were he still alive but could also have been a potential state witness in a plea deal. It is understood that Sodi is co-operating with police investigations.

HOLDING ON

But there are also political reasons why Magashule is unlikely to step aside from his powerful ANC post. He was elected Secretary-General by the slenderest of margins at the party's five-yearly conference in December 2017. And he can be removed only by the five-yearly conference or recalled by the ANC executive before then, or if convicted of a crime.

Magashule's position in the ANC has been waning since Ramaphosa was elected party leader in December 2017 and then President in February 2018.

The Magashule-Zuma axis still has significant support in KwaZulu-Natal, Mpumalanga and North West provinces and Free State is deeply divided between the two groups in the ANC.

The dissident faction still commands large financial resources – mainly from the proceeds of state

capture – and believes the tables will turn in their favour after Ramaphosa steps down or is ousted.

The main opposition parties are weak and unlikely to defeat the ANC at the polls. This view was supported on 11 November when the ANC won six new wards, lost two and retained 64 out of 95 contested in local government by-elections across the country. The right-of-centre Democratic Alliance won two new wards and five changed hands to independent candidates or small and local opposition parties. The rest remain unchanged (AC Vol 61 No 4). The left-of-centre Economic Freedom Fighters (EFF), which does not control a single local government seat, failed to win any even in its Limpopo stronghold (AC Vol 60 No 22).

Thus far the only ANC voices that have come out in Magashule's favour are the pro-Zuma **Carl Niehaus** of the association of veterans of the ANC's armed struggle, *Umkhonto we Sizwe*, and the maverick Mayor of Ekurhuleni, south of Johannesburg, **Mzwandile Masina**.

'Ace is going to have to do a lot better than that if he hopes to turn the tide which is now building against him,' said an insider in the Ramaphosa camp. ●

NORTH AFRICA

Gunfight ends 30-year calm

Polisario's efforts to stymie Morocco's growing trans-African trade may have yielded more results than decades of talk

While Morocco was congratulating itself on persuading an emerging regional power, the **United Arab Emirates** (UAE), to open a consulate in El Ayoun (known to Moroccans as Laâyoune), capital of the disputed Western Sahara, a group of Polisario Front independence movement supporters were on the former **Spanish** colony's southern border with **Mauritania**, blocking the kingdom's main trade route into its burgeoning West Africa markets. After years of jaw-jaw in New York, Addis Ababa and other centres of international summitry, and Polisario's many previous unfulfilled threats of military action to break the decades-old impasse on settling the region's status, the blockade – which started on 21 October – threatens, finally, to take the Western Sahara conflict into a new phase (AC Vol 61 No 4 & Vol 59 Nos 1 & 11).

Morocco's *Forces armées royales* (FAR) civil engineering units 'intervened' in the Guerguerat region on the night of 12-13 November to end the blockade, which Rabat said involved some 60 Sahrawis supported by armed Polisario militia. Official media said a 'security cordon' was put in place peacefully; cross-border business resumed as usual. However, reports emerged that shots had been exchanged, following what Polisario called a 'brutal assault' on civilian protestors.

CEASEFIRE ENDS

Polisario leader **Brahim Ghali**, for decades the Sahrawi guerrilla forces' commander before taking over as Sahrawi Arab Democratic Republic (SADR) President after **Mohammed Abdelaziz's** death in 2016, announced on 14 November a 'resumption of armed struggle in defence of the legitimate

rights of our people.' Soon after, the Sahrawi People's Liberation Army (SPLA) said it had attacked Moroccan positions, ending a ceasefire which has held since 1991 (AC Vol 57 No 22).

Whether the SPLA's rockets, rocket-propelled grenades and machine guns are a match for the FAR's aviation and fire-power is questionable; guerrilla tactics that worked in the 1980s may be less effective today. But the threat of a more sustained conflict is real – which could potentially draw in Polisario's principal backer, **Algeria**, which remains in a state of cold war with Morocco. Algerian nationalist media and their sponsors in the military/security apparatus have expressed outrage at 'Moroccan aggression'. They point to the new constitution which for the first time allows the *Armée nationale populaire* (ANP) to intervene in conflicts and peace-keeping operations across Algerian borders – which to Algiers includes within Polisario's SADR (AC Vol 61 No 22).

The United Nations, which Polisario complains is biased towards Morocco, and the African Union, which in turn Rabat argues is overly influenced by key Polisario supporters **Algeria** and **South Africa**, will both be forced into unaccustomed action. UN Secretary-General **António Guterres** has been

THE RACE FOR INTERNATIONAL SUPPORT

After years of losing diplomatic ground and its calls for a referendum on an independent Sahrawi Arab Democratic Republic falling on deaf ears, Polisario had seen an opportunity to gather momentum with the Guerguerat blockade.

It will also take hope from the prospect of **Joe Biden's** presidency in the **United States**, given local perceptions that Democrats tend to favour Algeria and its allies in Polisario.

However, pending a change of policy that a shooting war could force, the Democrat administration is thought likely to continue support for Morocco's autonomy proposal for the region, with Rabat maintaining sovereignty – a position also held by Biden's old boss **Barack Obama**.

Polisario can count on some Republicans to give a sympathetic ear. Oklahoma Senator **James Mountain Inhofe**, who as chair of the Senate Armed Services committee led a delegation to the Polisario camps and Algeria last December, told Congress on 10 November that 'Morocco has repeatedly attempted to use a road in [the Guerguerat] region to transport goods in violation of the UN ceasefire agreement.'

Morocco has spent millions of dollars promoting its cause in Washington including, as noted by Inhofe on the Senate floor, 'IPC Strategies, Thirdcircle, Neale Creek – averaging over a \$1 million each year'. Royal cousin Princess Lalla Joumala was appointed ambassador to add weight to the kingdom's lobbying campaign (Vol 57 No 8).

Algeria also has a major lobbying campaign, which has gained traction by promoting Sahrawi activists like **Aminatou Haidar**, rather than Polisario's more traditional leadership.

The unexpected turn of events in the 'southern provinces' could upset a number of important Moroccan assumptions, causing it to call in favours from key allies led by the US and **France** (which has been paying more attention to Algeria recently).

King **Mohammed VI** (M6) has so far avoided intense US pressure to 'normalise' relations with Israel, stressing Morocco's chairmanship of the League of Arab States' Al-Quds [Jerusalem] Committee, which was created by his father and remains wedded to a two-state solution to the **Israeli-Palestinian** conflict. The King has told President **Donald Trump's** Middle East envoy **Jared Kushner** that normalisation would require more concessions from Israel. He has resisted pressure from Abu Dhabi Crown Prince **Mohammed bin Zayed al Nahyan**, a major regional player with whom M6 has a historically close but complex relationship, to join the **United Arab Emirates, Bahrain** and **Sudan** in recognising Israel. ●

working the phones, with senior officials including **Khatiri Addouh**, head of Polisario's team in currently stalled negotiations. A measure of the conflict's neglect – or at least the UN's inability to mobilise any consensus – is Guterres's failure to install a Personal Envoy to the Western Sahara since former **German** president **Horst Köhler** resigned citing ill health in May 2019 (Vol 60 No 11).

FRAGILE STRATEGY

The Guerguerat standoff highlights fragility in Morocco's central strategy of driving business growth as a major player in the sub-Saharan economy – underlined by the penetration of Moroccan banks across the continent and the ambitions of industrial giant *Office Chérifien des Phosphates* (OCP), part of whose phosphate resources come from its Phosboucrâa subsidiary in the disputed territory – and diplomacy since rejoining the AU.

When the southernmost part of the former Spanish colony was incorporated within Morocco's system of defensive walls that control the territory in 1986, there was only desert and distant views of Mauritania's iron ore-transporting railroad at Guerguerat. Polisario units have taunted Moroccan military outposts before, but this time the protesters also caused economic pain, forcing M6 to call in the army.

Moroccan economists say that, unusually for the Saharan conflict, the Guerguerat blockade has hurt some big

fortunes – formal and informal – in the kingdom and beyond. Moroccan investment has brought plenty of money into the disputed territory, the subject of some resentment further north. Further big spending plans were highlighted by M6 on 7 November when the King said the massive new Dakhla Atlantique container port would be a southern complement to Tanger Med, which has emerged as a major hub in the north.

The southern border reports an average of 150 daily lorry crossings. This reflects the impact of Morocco's huge efforts to boost its commerce with sub-Saharan Africa – aided by big infrastructure investments such as a dual-lane highway between El Ayoun and the border post at Guerguerat – and businesses in Mauritania, **Mali** and **Senegal**. This has raised prices of fresh produce in Morocco's neighbouring markets.

The boycott also impacts on the region's informal economy – a major source of revenue. Sources say that although opaque, the impact of informal commerce can be measured in official Moroccan data, which shows a big improvement in external balances and currency reserves in August, some of which may be due to receipts from the cultivation of kif (cannabis) in the north, following the crop's harvest and sale into Europe and other markets. Despite its land border being closed since 1994, Algeria is also a big consumer, judging from the evidence of trials against fallen oligarchs, which

were unfolding as the Guerguerat crisis developed.

Algeria is on edge with President **Abdelmadjid Tebboune** in a Berlin hospital having been flown to Germany in October with severe coronavirus and suspected complications. The armed forces are in nationalist mode and Algerian politicians have found a familiar target in Morocco, following claims of spying by the Moroccan consulate in Oran. Army Chief of Staff Major General **Saïd Chengriha** – who is widely believed to be consolidating his power during Tebboune's infirmity – has called for all in the military to 'defend our frontiers against, terrorism, traffickers and even against a classic enemy', which few Algerians doubt is Morocco.

FRIENDS IN ALGIERS

Polisario remains reliant on links with Algeria. Ghali on 10 May – the anniversary of Polisario's creation in 1973 – visited a new field hospital, installed by the ANP on Tebboune's orders. The Sahrawi leader rejoiced in his people 'not so far being affected by the Covid-19 pandemic' – but acknowledged the need for such a facility 'to avoid the epidemic's spread' in Polisario's camps. Despite Ghali's claim, in April Algiers sent flights carrying food aid and pharmaceuticals from its main military air base at Boufarik. The concern now is that very different flights may head down south as long-running rivalries threaten a major new conflict. ●

KENYA

A divisive plan for unity

A new report is supposed to be the blueprint for sweeping reforms but it has deepened the split between the president and his deputy

Three years after President **Uhuru Kenyatta** won re-election in polls boycotted by opposition leader **Raila Odinga**, the two erstwhile rivals sat on a red-carpeted podium at the Bomas of Kenya venue to launch the long-awaited Building Bridges Initiative report on constitutional reforms.

Entitled *From a Nation of Blood Ties to a Nation of Ideals*, the BBI report, put together by a 14-member bipartisan committee of elder statesmen, is billed as an all-encompassing solution to Kenya's appalling management of presidential elections.

The BBI is meant to unite the country behind the 9 March 2018 'handshake' between Kenyatta and Odinga, after the violent debacle of the 2017 elections (AC Vol 59 No 14). But the BBI's noisy cheerleaders – from Kenyatta's faction of the Jubilee party and Odinga's Orange Democratic Movement – have succeeded only in further dividing the country by alienating Deputy President **William Ruto** and his Kalenjin Rift Valley base.

The two main protagonists of Kenya's political drama sat and listened to powerful testimony by a young mother, **Lenser Achieng**, who had lost her six-month-old baby **Samantha Pendo** in the chaos following the August 2017 presidential polls.

Achieng told the forum how her baby had been a precious gift, after three miscarriages and eight years of waiting. In the aftermath of the elections, their family home in the informal settlement of Nyalenda – in the Odinga bastion of Kisumu, western Kenya – was one of scores raided by police. An autopsy determined that baby Samantha succumbed to severe head injuries inflicted on her by police. A February 2019 inquest indicted five senior officers for causing her death. They are yet to stand trial.

Like hundreds of other victims of police brutality during those elections, Samantha's parents have received neither a public apology from the Kenyatta government nor any compensation.

It was in keeping with the political drama generated by the report that Ruto, amid boos and catcalls from a plenary stacked with BBI supporters, posed a question that silenced the hall:

what in the report guaranteed an end to winner-take-all elections?

Similar questions, focusing on issues of inclusion, are emerging from elsewhere. Among them; women, excluded by 10 years of refusal by the National Assembly to pass a two-thirds gender inclusive rule; pastoralists, and other marginalised communities.

Critics have pointed out that while attempting more political inclusivity, the BBI report expands the executive and increases presidential authority, reversing a central tenet of the 2010 constitution: diluting the powers of an overbearing presidency.

'IMPERIAL PRESIDENT'

The powerful Kenya Conference of Catholic Bishops, considered by many as the nation's conscience, captured public sentiment, saying: 'To give the president the power to appoint the prime minister and two deputies risks consolidating more power and creating an imperial president.'

An expanded executive, the BBI's proponents argue, is meant to create a tent big enough for the ruling party and the opposition. The raft of pre-election coalition deals Kenyatta's faction of Jubilee was making with opposition parties earlier this year appears tailored to the BBI's proposals and, some would argue, to weakening Ruto's influence in the ruling party.

High-ranking securocrats defend the return to an 'imperial presidency' by arguing that the president himself, having been the first to serve under the new constitution, is hamstrung by its limitations. Others argue that the real beneficiaries of a return to the status quo ante are mandarins in the presidency, whose operational autonomy – financed by confidential funds – risked falling under the auditor-general's spotlight.

The real concern, however, is the BBI's reversal of the independence of public institutions. These include the judiciary, the Office of the Public Prosecutor and the police. The report further recommends the abolition of vetting presidential appointees, notably cabinet and permanent secretaries.

The report introduces a Judiciary Ombudsman, appointed by the president, to receive and act on complaints against judicial officers – an executive listening

device planted in the very heart of the judiciary. With a seat in the Judicial Service Commission, the highest administrative body in the justice system, the creation of an Ombudsman appears to be an attempt to rein in the one arm of government that has resisted cooptation by the ruling party. It's worth remembering that Kenyatta vowed to avenge the 1 September 2017 annulment of the presidential elections by the Supreme Court.

All of this amounts to the most coherent attack on the 2010 constitution since its promulgation. Liberal in intent, the 2010 constitution's aim of dispersing power from Nairobi to the counties proved popular nationwide. But the Jubilee party's ruling establishment privately regarded devolution as an inconvenience, even while publicly extolling its virtues.

NEW HARDLINER

What has surprised many, however, is that it is Odinga who has emerged as the BBI report's main hardliner (AC Vol 61 No 17). That he rejected calls from the Catholic bishops to revise the document displayed an authoritarian streak known to few outside his circle.

Odinga has long championed a parliamentary system to curb a rogue presidency, but now appears to have pushed for a presidential system, suspecting that allies of Kenyatta wanted the president to run as an executive prime minister at the end of his term in 2022. This risked denying Odinga another shot at executive power.

Odinga appears not to have contemplated the possibility of winning the referendum on constitutional reforms but losing the presidential elections to Ruto. In such a scenario, Ruto would have inadvertently gained the kind of power that his detractors fear him wielding.

In manufacturing a consensus, if not genuine consent, for the BBI, Odinga has shifted further to the right of his social democratic credentials than at any point in his four-decade long political career (AC Vol 61 No 20). A week after the Bomas launch, he was in the Rift Valley lake resort town of Naivasha together with President Kenyatta, shepherding 300 legislators from both the National Assembly and the Senate into endorsing the report.

'The report seeks to ensure that no one is left behind,' intoned Senate Minority leader James Orengo, one of Odinga's closest allies. 'Shared prosperity means that all communities in Kenya from all corners have a share in the country's resources.'

The politicians cheered. The silence from the public was deafening. ●

WHY ODINGA WILL RUN IN 2022

The long delay in completing the Building Bridges Initiative report had much to do with **Raila Odinga** and his allies executing a 180-degree about-turn. From having historically backed a parliamentary system akin to the UK's, with an executive prime minister as leader of the majority party in parliament, Odinga now supports the BBI's more **French**-style presidential system, in which the president would appoint a deputy and a prime minister whom he could dismiss at will.

This seemed to be confirmed recently when Odinga, 75, hinted that he was running for the presidency in 2022 (AC Vol 61 No 20). Further still, while months ago there were strong indications that President **Uhuru Kenyatta** would be pushed by his family into running as an executive prime minister – colloquially known as 'ka-Putin' – the report contains no such clauses. This is a strong indication that Kenyatta, who has publicly refuted any suspicion that he is pushing for a third term, may have won the family argument.

'Nobody had a problem with the first draft [of the BBI]. This report is full of issues,' says a lawyer who is a close ally of Deputy President **William Ruto**, referring to the raft of changes in the final BBI report aimed at strengthening the president's powers. 'Having discovered during our [Jubilee's] tenure that the criminal justice system if effectively applied is a very useful tool of political control, they have decided to take away its independence, thus transferring control back to the Office of the President, while checking some of the most generous aspects of the Bill of Rights.'

The disavowal of the report last week by **John Seii**, a retired army major and chair of the Kalenjin Council of Elders, was regarded as having been instigated by Ruto, whose support for the BBI process has been lukewarm at best. Seii accused unnamed presidency insiders of making key amendments to the report after the BBI committee had approved it.

While no other committee members have come to Seii's defence, *Africa Confidential* was told that changes to the report were indeed made by a senior official in the Office of the Presidency with the full knowledge of senior decision-makers in Odinga's Orange Democratic Movement.

The focus now will be on manufacturing public consent for the BBI recommendations. Carrots have been dangled at Members of County Assemblies. In exchange for supporting the referendum, they have been promised constituency ward funds as well as a Bill obliging governors to select a proportion of the County cabinet from County Assemblies.

Similarly, with 20 of the 47 county governors coming to the end of their terms, plans have been mooted to remove gubernatorial term limits, again an obvious attempt to win them over – even if State House has long been wary of their independence, and has used anti-corruption legislation in recent times to bring them to heel.

The public, however, has been wary of the BBI, despite a massive propaganda effort via mainstream media. Social media wags point out that while the government has no money to spend on Personal Protective Equipment for frontline health workers or the National Health Insurance Fund to support Covid-19 victims, money will be found for a referendum (AC Vol 61 No 9). ●

GHANA

Competing on competence

The opposition struggles to persuade voters that it could handle the economy, but the administration is floundering too

With just weeks to go until presidential elections on 7 December National Democratic Congress (NDC) candidate, former president **John Dramani Mahama**, is still struggling to alter public perceptions that the New Patriotic Party government of **Nana Akufo-Addo** has demonstrated greater competence on the economy and is less tarnished by corruption scandals than his 2013-16 administration. Or to convincingly portray Akufo-Addo's government as incompetent in its handling of coronavirus, whether from a public health or economic perspective.

World Bank economists currently include Ghana among the five sub-Saharan African countries reporting the greatest number of Covid-19 cases, albeit not deaths, which optimists interpret as an illustration of Ghana's testing capacity. Yet government statisticians, economists and the

international financial institutions now project Ghana will be one of the few SSA economies – mostly in West and East Africa – to avoid 2020 real GDP contraction, even if not avoiding contraction in per-capita terms.

The International Monetary Fund, while suggesting the virus has 'shaken the foundations' of Ghana's economy and reminding policymakers that debt must be controlled, has now upgraded its June projection from a modest GDP contraction to close to 1% growth in 2020, followed by 2021 expansion in excess of 4%. Ghana's finance ministry, which calculates that the economy contracted by -3.2% during the lockdown-impacted second quarter, has upgraded its overall 2020 projection to 1.9%. This upgrade is driven by improved optimism – according to government statisticians – among Ghana's businesses and a supposed recovery in 'macroeconomic conditions',

and could be followed by growth of 5.7% next year.

Yet, at best, Ghana will still experience a massive hit compared to pre-Covid projections and a modest reduction in average per-capita incomes, with the poorest being among the hardest hit. Agriculture has, for the most part, weathered the storm while some other sectors, including manufacturing, trade and hospitality, have suffered hefty contractions.

CHALLENGES

The country's comparatively respectable – compared to SSA and world averages – headline growth figure obscures a number of challenges, including, but not limited to, a massive 2020 fiscal deficit resulting from Covid-related spending, reduced revenues and election-driven spending. Finance Minister **Ken Ofori-Atta** acknowledges the deficit will exceed 11%, though his disgruntled predecessor **Seth Terkper** suggests it will be between 13% and 15% while the IMF projects a fiscal deficit exceeding 16%, the highest in SSA. This will exacerbate concerns about Ghana's rate of debt accumulation, debt service costs and future debt sustainability.

Other challenges include the mass of Covid-triggered business closures

MIND THE FISCAL GAP

The International Monetary Fund sees the greater deterioration in average 2020 fiscal deficit/GDP ratios of the major advanced economies, compared to sub-Saharan Africa, as reflecting SSA's diminished fiscal space to institute major spending programmes in response to the Covid-19 pandemic. Yet Ghana's deficit of somewhere between 11.4%, according to the finance ministry, and 16.4%, forecast by the IMF, represents a massive increase on 2019.

The government's ability to finance the deficit has this year been assisted by US\$1 billion of emergency financing from the IMF, the \$3bn February-issued Eurobond, and agreed financing and grants from the World Bank, African Development Bank and the European Union. This financing is all the more necessary given that, according to Finance Minister **Ken Ofori-Atta**, first half 2020 revenues were 26% below projections due to disappointing oil revenues, non-tax revenues from the non-oil sector, and customs revenues, forcing him to request a 11.9bn cedi supplementary budget in July.

Ratings agency Fitch last month affirmed Ghana's sovereign rating at non-investment grade B, on the basis that revenues recover, Covid-related spending declines as planned, and the government 'under-executes' on capital spending. Yet, just weeks earlier, S&P reduced Ghana's long-term sovereign rating to B- as a result of recent and upcoming fiscal struggles. The IMF still considers Ghana as one of several SSA economies at high risk of debt distress.

Fitch predicts that Ghana's overall public debt will end 2020 at over 70% of GDP, above finance ministry estimates, and significantly higher than both the current SSA average and the circa 57% ratio when President **Nana Akufo-Addo** took office in January 2017.

Yet the greater concern, as with a number of other SSA economies, is the increasing share of government revenue now needed to service debt. Ghana has, so far, declined to participate in the G20-backed Debt Service Suspension Initiative which several governments believe could hurt sovereign ratings and future access to commercial borrowing. Signing up to the DSSI could, according to World Bank estimates, have delayed debt service of approximately \$380 million.

Estimates vary on the share of Ghana's revenues spent on debt service. Ofori-Atta's recent call for a 27.4bn cedi (\$4.7bn) budget to cover first quarter 2021 spending predicts that in 2021 Ghana's interest payments could reach 27.6bn cedis. Assuming projected 2021 revenues (and grants) of 66.5bn cedis (\$11.4bn) are realised, that implies an interest payments/revenues ratio close to 40% before considering principal repayments.

That implies that significant borrowing will be needed to close the gap to current finance ministry projections of 103.5bn cedis (\$18bn) in 2021 spending.

Ofori-Atta is now requesting approval for the 2021 issuance of \$3bn in Eurobonds, increasable to \$5bn should debt market conditions 'prove favourable.' This anticipated Eurobond, combined with anticipated loans and projected debt repayments, suggests that Ghana's debt burden could continue to grow. ●

(tens of thousands of firms according to government statisticians), increased domestic unemployment, delays to major domestic investment plans including infrastructure and oil projects, the dampened outlook for the international cocoa market, the risk of more capital outflows, resumption of significant cedi depreciation, heightened inflation, and persisting concerns over power sector debts and costly take-or-pay contracts.

In the financial sector, the controversial bailouts of bank and non-bank financial institutions overseen by central bank governor **Ernest Addison** are now estimated to have cost over 21 billion cedis (US\$3.6bn), which is an increase over prior government estimates (AC Vol 61 No 11). Yet the costly bailout still seems timely given the risk of spiking non-performing loans in a Covid-impacted economy.

The central bank maintains that Ghana's lenders are 'strong, well-capitalised and profitable' and official statistics suggest lower non-performing loans compared to this time last year, even if, at 15%, this is still comparatively high by international standards. Official statistics also suggest a respectable increase in credit to the real economy, an average banking sector capital adequacy ratio well in excess of Basel minimums, and that banks' solvency should not be unduly impacted should the cedi depreciate sharply against the dollar.

The perennially depreciating currency's decline has been partly stemmed by central bank foreign exchange market interventions, made easier by Ghana's February receipt of \$3bn in Eurobond funds.

Yet critics remain sceptical of the official banking sector story, and concerns persist that banks are under increasing pressure to restrict credit, particularly to vulnerable SMEs struggling amid Covid-related disruption. Perceptions of banks' leadership are not helped by the key role of Databank, founded by Ofori-Atta and his business partners, in the controversial planned Agyapa gold public offering in London and Accra (AC Vol 61, No 22). Special Prosecutor **Martin Amidu** this week resigned after his indepth analysis of anti-corruption concerns regarding Agyapa was ignored (see Pointer).

INFLATION SPIKE

Elsewhere, as 2020 draws to a close, concern persists over the spike in Ghana's domestic inflation rate to double-digits which exceeds the central bank's target. This increase was driven partly by rising food prices following the introduction of the lockdown.

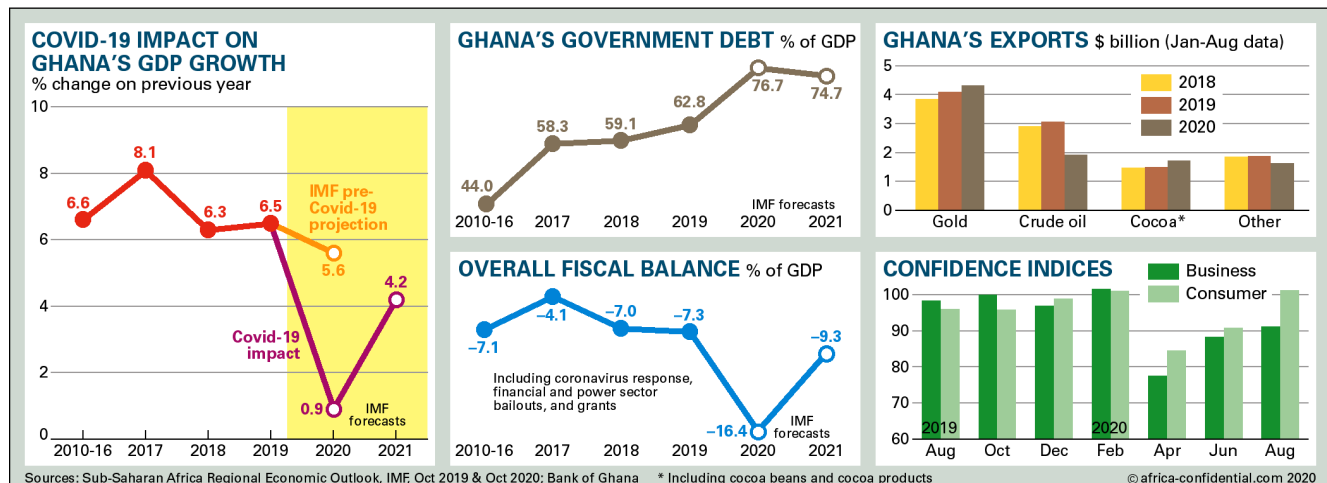
Addison's team says that the recent recovery in economic activity should not place upward pressure on consumer price index inflation, as the rebound is merely bringing Ghana back from its Covid-driven dip below 'potential' output. Time will tell, although CPI inflation currently appears to be on a downward trend even if still in double digits, and though food price inflation rose again in October.

Ghana's status as a relatively diversified commodities producer provides, as economists predicted, some defence against this year's drop in oil prices which has reduced the dollar value of aggregate oil exports (January through August) from the Jubilee, 'TEN' and Sankofa fields by over a third to \$1.9bn. As 2020 oil revenues accruing to the government decline, the boost to gold prices amid a global flight-to-safety in turn increases the dollar value of gold exports, despite a material reduction in gold export volume.

Yet fears persist of downward pressure on cocoa prices, even though exports by volume and prices have held up relatively well this year, while the government and its **Côte d'Ivoire** counterpart remain committed to offering cocoa farmers their anticipated price premium. Meanwhile, the coronavirus and oil price disruption continue to delay the major offshore Pecan oil project planned by **Norway's Aker Energy**.

The impact of global events such as a 'second wave' in the major developed economies, a potential coronavirus vaccine, and the impact on commodity markets and on **United States-Africa**

HOW THE PANDEMIC HIT GHANA'S ECONOMY



relations of the incoming Joe Biden administration, remains uncertain, even if the latter development is mostly welcomed by Akufo-Addo and several other world and African leaders.

Also uncertain is how an NDC administration would impact Ghana's

relatively competent fiscal and monetary response to the coronavirus crisis. Assuming Akufo-Addo and the NPP win a second term, as the odds suggest, they are likely to continue to spend on existing coronavirus-response programmes and the major '100bn

cedi' CARES (Covid-19 Alleviation and Revitalisation of Enterprises Support) initiative. They would also be expected to progress other initiatives, such as the one-district, one-factory promise – which has so far reached about one-third of the promised target. ●

ANGOLA

Protests face police violence

Young activists are demonstrating against rocketing prices, worsening unemployment and double standards on corruption

President João Lourenço faces deepening public anger over the country's economic implosion and accusations that his anti-corruption campaign is replacing one set of dishonest officials with another.

Demonstrators took to the streets again in Luanda on Independence day, 11 November, defying the government ban on public protests. New York-based Human Rights Watch reported that at least one demonstrator was shot dead as police tried to disperse protestors with baton charges, tear gas and live fire.

Police assaulted a Reuters correspondent and briefly detained several other journalists. The authorities earlier banned the demonstrations against the high cost of living and for local elections to be held.

After coming to power in 2017, Lourenço promised to hold the country's first ever municipal elections this year. There were due in August but he postponed them, citing the coronavirus. That prompted protests from opposition parties, especially *União Nacional para a Independência Total de Angola* (UNITA), which returned to the centre stage by organising demonstrations. They say

the government's reason for delaying the elections is its tumbling popularity as it struggles to deal with crashing state revenues caused by the oil price war and the pandemic. After years of internal division and cooption by the ruling elite, UNITA is reorganising itself to exploit a new political opportunity.

Alongside it, younger Angolans are building a new network of civil society and student organisations and stepping up criticisms of President Lourenço's government for the harsh economic conditions and lack of progress in prosecuting corrupt state officials and retrieving some of the estimated US\$200 billion of illicit outflows from the country since the end of the civil war in 2002. With anger rising in the major cities about social conditions, the prospects for a youth-driven third force in Angolan politics, independent of either UNITA or the governing party, are gaining ground. They also face one of the best resourced security services in Africa which has been investing heavily in cyber operations as oppositionists have used social media as their main organising platform.

Public support for the governing

Movimento Popular de Libertação de Angola (MPLA) has been declining for the last two decades: to 61% in 2017 from 82% in the 2008 parliamentary elections. The emergence of former defence minister Lourenço as MPLA's presidential candidate was meant to boost the party's standing among voters tired of the grand corruption and depredations linked to outgoing President José Eduardo dos Santos, in power since 1979.

President Lourenço enjoyed a wave of public support after winning the August 2017 elections and launching a barrage of investigations into public officials. Surprising some sceptics, state prosecutors took on the Dos Santos family: the ex-President's son José Filomeno dos Santos aka 'Zenu' is in jail, appealing against a five-year sentence for fraud and money laundering when he ran the \$5 billion national sovereign wealth fund; and Isabel dos Santos, who was sacked as managing director of state oil company Sonangol as her sprawling multi-billion-dollar business empire came under investigation. Many of her holdings in Europe have been frozen and she has resigned from several corporate boards as a result of the government's investigations.

This campaign against the Dos Santos family raised more questions for Angolans about continuing malfeasance and the selectivity of the government's anti-corruption campaign. Some speculate that ex-President dos Santos, now based in Spain, might return to

LUANDA RESHUFFLES THE OLIGARCHS

One of the defences mounted by President **João Lourenço's** allies to the attacks over his chief of staff **Edeltrudes Costa** is that they are fuelled by the Dos Santos clan using their still-influential network in Angola.

The Dos Santos goal is not so much to hit Lourenço, but to remove Costa, whom they see as the motivating force behind President Lourenço's campaign against them. Some suggest the Dos Santos clan fightback is being helped by stories in the **Portuguese** media. The weekly *Expresso* reported in February that one of Costa's accounts at BAI, while he was at the Presidency in 2013, contained over \$20 million.

Lourenço made Costa his chief of staff in after he won the presidency in 2017. The presidential couple are godparents to Costa's daughter with **Inokcelina Ben'áfrica Santos**, a niece of President Lourenço's wife **Ana Dias**. Inokcelina Ben'áfrica is a senior executive in the *Banco Africano de Investimento* (BAI) a bank owned by Sonangol, and her brother, **Katilo dos Santos**, has been connected to businesses owned by the Lourenço family (AC Vol 40 No 21).

According to the company registry in Luanda, Katilo became a shareholder in companies such as JALC – *Consultores e Prestação de Serviços*, a construction consultancy, and LORA – *Comércio e Indústria*, which were previously owned by the presidential couple, a few months before the new President was sworn in. JALC owns 15% of Imogestin, a real estate company that, since 2015, absorbed by order of President dos Santos assets of the real estate arm of the state oil company, Sonangol *Imobiliária e Imóveis* (Sonip), including hotels and logistics parks.

Another figure considered untouchable was **Carlos São Vicente**, the son-in-law of the country's first president, **Agostinho Neto**. Swiss prosecutors contacted the Angolan prosecutor's office in mid-August, hoping for information about him, but were told nothing, according to letters from both parties now made public.

A month later, after bank accounts in Switzerland holding \$900 million dollars were frozen, the news leaked, generating outrage in Angola. A few days later, the prosecutor arrested São Vicente, who is now in prison awaiting trial.

São Vicente's status has long given him access to the presidency and the higher echelons of the MPLA. His wife, **Irene Neto**, is a member of the MPLA Politburo. São Vicente's company AAA Seguros ran a monopoly of insurance sales to oil companies when **Manuel Vicente** presided over Sonangol.

Influential activists such as **Luaty Beirão**, put on trial in the Dos Santos era for 'conspiracy', say that after an initial détente under Lourenço, the regime is 'going back to its old ways'. Beirão was reported to have been arrested during the 11 November demonstrations. ●

in Luanda, TV Zimbo channel refused to allow the journalist and commentator, **Carlos Rosado de Carvalho**, to discuss it on his own programme. Carvalho resigned. The TV channel, which was recently taken over by the state, denies there was censorship.

The silence of the state-controlled press and TV on the Costa story contrasts with the air time devoted to the ordeals of the Dos Santos family.

Campaigners are questioning the latest twist in the state prosecutors' focus on the country's billionaire oligarchs. Investigators have questioned Generals **Leopoldino Fragoso do Nascimento 'Dino'** and **Manuel Hélder Vieira Dias Junior 'Kopelipa'**, two securocrats closest to former President Dos Santos. Substantial parts of their company assets are to be seized, but their partner, former Vice-President and ex-Sonangol boss **Manuel Vicente**, is untouched (AC Vol 59 No 9). At first, the Lourenço government distanced itself from Dino and Kopelipa, as some backroom deals were mooted, but held back from full investigations.

According to a source in Luanda's *Serviços de Informação and Serviço de Inteligência e de Segurança de Estado* (SINSE), the state intelligence service, under General **Fernando Garcia Miala**, has been told by the Presidency to dig deeper into the origin of the wealth of prominent political figures, especially those linked to Sonangol – with certain exceptions, such as Costa and Vicente.

When Vicente took over as managing director of Sonangol (1999-2012) the company developed its operations to become a state within a state, at first to fight the civil war against UNITA, and then to preside over the post-war reconstruction process and build new business alliances with **China**. By 2010, Angola had become China's biggest oil supplier, surpassing **Saudi Arabia**.

As a technocrat who had not fought in the civil war, Vicente was politically vulnerable as he built up his own business empire, alongside and in league with the top generals. After appointing Vicente as his deputy, President Dos Santos dropped him in 2017 in favour of Lourenço, a general with a strong base in the MPLA.

Although Dos Santos had become wary of Vicente, Lourenço brought him in as an informal advisor after the 2017 elections, to offer critical information about the opaque financing schemes at the heart of Sonangol. Lawyers in Luanda and Lisbon say that seemed to have given Vicente some security under the new order. But the current febrile politics in Luanda could put the Vicente-Lourenço relationship under heavy strain. ●

Luanda to attend the next congress of the ruling party to cause problems for his successor.

Drawing on its networks, the Dos Santos family has hired its own investigators and lobbyists to unearth and publicise other cases of state fraud. It has been trying to target individuals close to President Lourenço. As journalists take up these cases, many of which are supported by leaked official documents, they complain they are being targeted by state-backed cyber-attacks (AC Vol 61 No 3).

The most politically significant case is that of **Edeltrudes Costa**, chief of staff to President Lourenço. TVI, a **Portuguese** television station, obtained documents which, it says, show Lourenço helped enrich Costa by authorising multimillion-euro deals with his company, EMFC Consulting.

Costa was also an important figure in the Dos Santos presidency. He is rated within the MPLA for his election-winning skills which the party will need in the municipal elections now set

for 2021, and the presidentials in 2022 (AC Vol 61 No 7). The opposition made detailed accusations about how the MPLA manipulated the electoral system in the 2012 polls (AC Vol 53 No 17).

According to TVI's reports, aired in mid-September just before the latest wave of streets protests, funds linked to Costa were used to buy luxury homes in the resorts of Sintra and Cascais in Portugal, as well as Panama. Portugal's central bank is investigating.

Youth activists in Luanda and other cities organised rallies on 24 October protesting against corruption in the government and the MPLA. UNITA, which had avoided such protests, joined in this time. Thousands took to the streets and about 100 were arrested by heavily armed riot police in Luanda. Civil society groups staged a march in Luanda calling for Costa's resignation. The activists' tactics, bringing together clusters of around 100 supporters across the cities, are proving effective in mobilising opinion.

A few days after the Costa story broke

MALAWI

Stress test for the Alliance

The ruling coalition parties are fighting each other in by-elections amid the challenges of turning a new page in a time of austerity

Campaigning for the by-election in the northern seat of Karonga Central on Tuesday 10 November has been exposing the widening cracks in the ruling coalition, especially between the President and his deputy.

The Tonse Alliance partners who wrested power from President **Peter Mutharika's** Democratic Progressive party so convincingly in June in are now in a fight that is putting at risk the four-month-old administration of President **Lazarus Chakwera's** Malawi Congress Party (MCP) and the United Transformation Movement (UTM) of Vice-President **Saulos Chilima** (AC Vol 61 No 18).

The latest spat came when Chilima attacked the President for asking him to deputise for him at the inauguration of President **John Magufuli** in **Tanzania** at short notice.

The by-election was called after the sitting MP, the MCP's **Cornelius Mwalwanda**, died of Covid-19. His nephew **Leonard Mwalwanda**, the new MCP candidate, is fighting the UTM's Frank Mwenefumbo. A cavalcade of senior party and government officials

has trooped in to Karonga, dubbed 'Benghazi' because of its reputation for violent confrontations between the young faithful of both parties, to hold rallies and convince voters.

Cabinet ministers and senior officials led by Chakwera's Vice-President for the North, **Harry Mkandawire**, Deputy Speaker of Parliament **Madalitso Kazombo** and Minister of Homeland Security **Richard Chimwendo**, have urged voters at rallies to vote MCP and ignore the UTM, which they say is only a 'passenger' in the new administration.

A leading light in the MCP campaign is the firebrand civil society leader-turned-politician **Timothy Mtambo**, who was highly effective in the mass protests against electoral commission chair Judge **Jane Ansah** in the run-up to the decision by Malawian judges to cancel the 2019 presidential election, which was re-run on 23 June (AC Vol 61 No 3). Mtambo, capitalising on his initially non-partisan Citizens for Transformation which he created in April, is trying to draw UTM followers into the MCP camp (AC Vol 61 No 7).

The UTM has deployed equally heavy

ammunition, led by the formidable Gender Minister and UTM Secretary-General **Patricia Kaliati**, aided by the late President **Bingu wa Mutharika's** widow, **Callista Mutharika**, and Mwenefumbo.

The Tonse Alliance has been strained ever since Chakwera dismayed the UTM with his cabinet appointments in July (AC Vol 61 No 14). The UTM says he reneged on a promise to give Chilima the finance portfolio, which went instead to **Felix Mlusu**, a prominent local CEO. The MCP got defence, health, transport and infrastructure, land and housing, agriculture, mining, foreign affairs, trade, justice and environmental affairs.

Instead of finance, Chilima became Economic Planning Minister. The UTM got the less central portfolios of information, education, energy, tourism and gender. The party rankled at only getting 15% of state appointments to public companies, which in has caused many in the party to question the value of their coalition.

A break-up in the coalition is thought by most pundits to be extremely unlikely, especially this early. Both parties urgently need access to the resources that being in government gives them, and neither will want to give that up.

The by-election also reflects a wider struggle between the UTM and the MCP for the faith of DPP MPs.

Another destabilising factor in the political scene is over the status of

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Chilima himself. Elected Vice-President with President Peter Mutharika in 2014, he is now serving the last of his maximum two consecutive terms of office.

Chilima wants to stand for president but according to a ruling in 2009 by the Constitutional Court, a vice-president who has served two consecutive terms cannot run again either as vice-president or as president (Then there were two). The wealthy businessman, MCP financier and former Chakwera running mate, **Sidik Mia**, is believed to be behind a spate of newspaper articles pointing this out (AC Vol 58 No 20). However, the law on this is not clear and Chilima certainly believes he is eligible to stand for the presidency in 2025.

Chilima's social media team has gone into overdrive accusing the government of nepotism, corruption and breaking campaign promises. He feels he is being kept at a distance and that the President has a closer relationship with former President **Joyce Banda** than him.

'Banda has pulled her international resources to support the President. **British** ex-prime minister **Tony Blair's** team, which was there during Banda's regime, is returning to Malawi to work with the Office of the President,' said an insider. **Zimbabwean** billionaire **Strive Masiyiwa** is offering help, including equipment to help fight Covid-19. He is close to Chakwera and was a frequent visitor to Malawi during the presidency of Banda. The source continues, 'These are Banda's international supporters, and she is introducing them to the President.' The Tony Blair Institute told *Africa Confidential* it 'is in early stage discussions to scope support it might provide in future to the Government of President Lazarus Chakwera'.

Banda's influence on Chakwera has been visible from the start when her son **Roy Kachale** was appointed Industry Minister, while her loyalists have filled state-owned agencies and expect to be given prominent diplomatic positions this month. Two important officials in her People's Party are to be appointed as ambassadors in Japan and Washington DC, we hear.

Some think that Banda may be angling for the vice-presidency in the campaign to re-elect Chakwera in 2025 to be offered to Kachale, because of Chilima's ineligibility. Other say that Sidik Mia is being positioned to take up this role, which he occupied during the 2019 election.

Other signs of trouble include the President's failure to follow through on reducing presidential powers. He promised to bring the bills devolving some of the president's extensive powers to other government officials to parliament within six months of coming to power in June, but nothing has yet been seen.

Chilima has been excluded from the largely ceremonial pictures of ministers arriving for cabinet meetings and similar protocol material put out by State House on social media. And the vice-president faced an indirect dressing down from Chakwera when he turned up to the official opening of the **Chinese**-funded Sogecoa Golden Peacock Hotel in Blantyre. Chakwera commented there were too many ministers and officials at the event.

The signs point to the MCP gearing up to go it alone at the next election. MCP diehards claim that Chilima is already lining up the Vice-President of the DPP, **Kondwani Nankhumwa**, to be

his running mate in his bid to become president in 2025. Chakwera and Chilima have both tried to damp down this speculation and accuse 'invisible forces' of trying to break them up.

A UTM-DPP alliance would be a powerful combination in 2025, experts say. But Nankhumwa would first need to wrest control of the DPP from Peter Mutharika. Nankhumwa was recently expelled from the DPP but he obtained a court injunction to prevent his expulsion and those of his allies in the party.

UNHELPFUL ECONOMY

The government is suffering a squeeze between poor tobacco sales, companies closing down, low tax collections, Covid-related downturns and its costly election campaign promises, including providing affordable fertiliser for 4.2 million farmers and raising the monthly income tax threshold from 45,000 Malawian kwacha (US\$60) to MK100,000 per month.

Unemployed teachers, gender activists and truck drivers all staged demonstrations in October. The public's taste for protest was well fertilised during the campaign against the 2019 election. The drivers have threatened to block entry points to the country, while unemployed youth are demanding loans and the 1 million jobs promised.

The IMF fears that the economic outlook will remain gloomy for the next year, worsened by the regional drought. The United Nations World Food Programme says 2.8 million Malawians will require food aid. If it's to retain popular support, the administration will have to kickstart industries and boost agricultural production to drive an economic recovery. ●

POINTERS

Africa/Governance

TOO LOW, SAYS MO

■ African governance is in decline and Covid-19 is likely to make it worse, according to The Mo Ibrahim Foundation's 2020 *Index of African Governance* published on 17 November.* The 'score' for overall governance in 2019, calculated by combining separate indices of human and economic development, declined by -0.2 points from 2018, the first year-on-year fall the Foundation has recorded in a decade (AC Vol 51 No 20).

Only eight countries manage to improve in the index's four categories, covering Human Development, Foundations for Economic Opportunity, Security and Rule of Law, and Participation, Rights and Inclusion over the decade: **Angola, Chad, Côte d'Ivoire, Ethiopia, Madagascar, Seychelles, Sudan and Togo.**

Progress achieved over the past decade is threatened by the impact of Covid-19 on economies, the report says. It also warned of the risks from 'an increasingly precarious security situation and concerning erosion in rights as well as civic and democratic space.' The pre-Covid data covers 2019 and so could not take into account the postponement of elections in Ethiopia, the outbreak of severe conflict there, the widely discredited elections in **Tanzania** and the much-criticised 'third term' presidential elections in Côte d'Ivoire and **Guinea.**

'The pandemic is just worsening an already alarming situation,' the report states. In more than half the countries surveyed, citizens are less satisfied with their country's governance performance than 10 years ago. The virus has highlighted gaps in African healthcare systems, the report stated, while noting that governments had 'limited capacity' to mitigate its economic effects.

* mo.ibrahim.foundation/iiag/downloads

Botswana/Namibia

SHOOTING AND FISHING

■ Relations between neighbours Botswana and Namibia have hit a new low following the shooting dead of four Namibians by the Botswana army along the Chobe river frontier on 5 November. Amid public fury in Namibia, the row has escalated to presidential level, with both heads of state promising full investigations.

Botswana says the men were part of a poaching syndicate and should

not have been in a restricted national park at 11pm. Angry residents of Namibia's Zambezi region, bordering Botswana, damaged trucks and other Botswana-registered vehicles at a border crossing in protest. The issue has been a running sore between the two countries. Namibian media have accused some government ministers of being involved in poaching.

Many thought the shoot-to-kill policy had been abandoned after President **Mokgweetsi Masisi** came to power and permitted licensed elephant hunting to recommence while curtailing the powers of ex-President **Ian Khama**, a fierce defender of the shoot-to-kill policy and the creator of the specialised Anti-Poaching Unit (AC Vol 61 No 4).

The APU's access to automatic weapons ended but patrols continued with the regular army, the Botswana Defence Force, in charge. Media coverage of Masisi's criticisms of the APU led poachers to believe that it had been deactivated, government sources said (AC Vol 59 No 20).

The BDF says that a syndicate organises poaching from Namibia, which is also afflicted. Namibia has increased prosecutions and rhinos killed in 2019 fell to 46, compared with 78 the previous year. In Botswana poaching incidents rose strongly, with 63 rhinos killed in the past two years, over 10% of the total population.

Malawi

BY-ELECTION BUST-UP

■ President **Lazarus Chakwera's** Malawi Congress Party won a narrow victory over its coalition partner, the United Transformation Movement, in the bitterly contested Karonga Central by-election on 10 November. As soon as the victory of the MCP's **Leonard Mwalwanda** was announced violence broke out between UTM and MCP supporters (AC Vol 61 No 22). The contest symbolised tensions in the governing alliance, although Chakwera and his UTM counterpart, Vice-President **Saulos Chilima**, have been playing down their differences (AC Vol 61 No 23).

Factions have formed within the MCP, we hear, one backing closer relations with Chilima, and another pushing for party vice-president for the south **Sidik Mia** to replace Chilima on Chakwera's ticket in 2025, and then run for president in 2030. Another faction wants human rights activist-turned-politician **Timothy Mtambo** to run with Chakwera in 2025.

Amid such tension, Chakwera could do without the current allegations that the Malawian pastor, **Shepherd Bushiri**, who skipped bail in **South**

Africa where he is charged with fraud and money-laundering, left on the Malawian president's private jet. The South African government and the presidency deny this. Bushiri claims he fled because he received death threats. The previous Democratic Progressive Party government is also embarrassed by the affair as it has emerged that it issued diplomatic passports to Bushiri, his wife and members of his entourage. The issuing of the passports is now under official investigation.

Ghana

ANTI-CORRUPTION BOSS 'NO POODLE'

■ Ghana's independent Special Prosecutor, **Martin Amidu**, resigned his post on 16 November after experiencing government interference in his job, he said in a letter to President **Nana Akufo-Addo**. Amidu said the actions of the head of state had convinced him that 'you had laboured under the mistaken belief that I could hold the Office of the Special Prosecutor as your poodle'. Amidu has been experiencing strong pushback ever since he published a critical report on the corruption risks in the Agyaba project, which plans to raise up to US\$500 million on the London Stock Exchange for the gold industry (AC Vol 61 No 22 & Vol 60 No 2).

Akufo-Addo had wanted Amidu to delay the report and to look at advice from Finance Minister **Ken Ofori-Atta**. To have complied would have 'compromised my independence', Amidu wrote.

A former Attorney-General best known for his role in exposing the 2012 Woyome scandal, Amidu was only formally appointed in January after being vetted and approved by parliament two years earlier (AC Vol 51 No 4).

After Amidu published his report on Agyaba, he said, the president's office sought to 'downplay and politicise the seriousness' of its contents. Amidu's office was under-resourced from the beginning, he said, being housed in what he called a 'three bedroom and boys quarters accommodation'.

In a lengthy rebuttal, Akufo-Addo denied any interference and claimed the office's funding was adequate, taking issue with other actions of Amidu. The controversy comes just three weeks before polling day in the general election which pits the incumbent against **John Dramani Mahama** of the National Democratic Congress. Pundits, however, doubted whether Amidu's resignation would damage Akufo-Addo's chances of re-election because Mahama's record on anti-corruption is so poor.

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BLUE LINES

For a government so desperate to boost foreign currency reserves, Zimbabwe's gold industry should be a cash cow, especially with spot prices up to around US\$2,000 an ounce, boosted by the uncertainty of Covid-19.

Official gold exports fell 23% to less than \$700 million, according to the Reserve Bank. But an estimated \$1.5 billion of gold is smuggled out every year, according to a new report by the International Crisis Group. The politically charged case of Henrietta Rushaway, the suspended President of the Zimbabwe Miners' Federation, arrested for gold smuggling at Harare airport is slowly making its way through the courts. She has denied all charges and says she is in business with President Emmerson Mnangagwa's family.

Miners complain that the country's centralised gold-buying scheme underpays them by forcing them to accept 30% of the payment in local currency, at an exchange rate well below the free market. The ICG report agrees, contending that the law 'encourages smuggling and erodes industrial mining profits, leading companies to close mines.' Payments to small-scale miners are considerably lower than the spot price of gold.

'Idle industrial mines become targets for intrusion by artisanal miners,' the ICG found. The result has been a surge in attacks by politically connected gangs. Such attacks and dangerous working conditions in the artisanal mines have killed dozens of miners in recent weeks.

ETHIOPIA

Citadel falls but the war goes on

Tigray leaders vow guerrilla war against the Federal government as they withdraw to the hills

Prime Minister **Abiy Ahmed** may have declared success for his 'law and order operation' with the fall of Mekelle, the Tigrayan capital, on 28 November, but it is far from clear that the fighting is over (AC Vol 61 No 23). There have been thousands of casualties on both sides and among the **Eritrean** troops committed to the conflict by President **Issayas Afewerki**, who shares Abiy's aim of destroying the Tigray People's Liberation Front (TPLF). Bombing raids and artillery have caused widespread civilian casualties and over 40,000 refugees have fled into **Sudan** from western Tigray. The Ethiopian army has closed the border to try to prevent more of them crossing.

Amid the news blackout, certain disturbing reports remain clear. Although the Federal government has spoken strongly against ethno-nationalism, Abiy has allowed Amhara militia and 'Special Forces' to spearhead the move into western Tigray, an area historically under Amhara control but controversially given to Tigray under the 1995 constitution. There have been ample reports of atrocities in western Tigray, with claims and counter-claims of responsibility. Against this background, there is great concern about the Federal government decision to allow the Amhara Regional State to administer the parts of Tigray it has taken over.

The Federal government has also been acting against Tigrayans outside Tigray, accusing them of supporting the TPLF and giving rise to fears of ethnic profiling. The National Bank of Ethiopia has frozen all bank accounts opened in Tigray State. The

34 important companies which form part of the regional state-owned Endowment Fund for the Rehabilitation of Tigray (EFFORT) have been delisted and their assets frozen; an asset manager has now been appointed to oversee their assets and resources (AC Vol 59 No 11).

The African Union (AU) dismissed a Tigrayan, **Gebregeziabher Mebratu Melese**, its head of security, after the Ministry of Defence expressed concern (AC Vol 61 No 23). The Amhara regional administration has ordered its police to identify ethnic Tigrayans in all government agencies and NGOs. There have been similar activities in organisations and businesses in Addis Ababa and reports of hundreds of arrests of Tigrayans.

ARMY PURGE

After the Ethiopian military contingent in Somalia was ordered home, 'All officers and soldiers from Tigray were arrested and detained upon arrival in Addis', some of them being tortured while others were executed, according to a United Nations report. The deputy force commander of the UN Interim Security Force for Abyei (UNISFA) in **South Sudan**, Brigadier-General **Negassi Tikue**, was recalled to Addis Ababa and the UN told to find another officer. Other Tigrayan officers there were also ordered to Addis Ababa.

Abiy has appointed **Mulu Nega**, a former deputy minister, temporary head of a new Tigrayan administration. Setting up an effective local government may prove difficult, particularly if fighting continues. Abiy has said the next stage is to establish

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an administration in Tigray which can 'enforce law and order in the Region through a lawful state police force with sufficient capacity to maintain public order and peace within the State'. Mulu has added that 'executive and law-making organs at regional and zonal levels will be dismantled and replaced by new appointees.'

The interim government is also charged with carrying out rehabilitation work, providing social services and organising 'a democratic, participatory, free and fair election' next year, without, however, the participation of the TPLF, even though it took over 98% of the vote in the September election which was banned by the Federal government (AC Vol 61 No 20). Independent observers called it relatively free and fair.

FEDERAL QUESTION

While the conflict with the TPLF has all the hallmarks of a straightforward power struggle between an organisation that controlled Ethiopia through its dominance of the ruling Ethiopian Peoples' Revolutionary Democratic Front from 1991 to 2018, and an Oromo/Amhara alliance led by Abiy which took over in 2018 and disbanded the EPRDF, there is also an ideological element, of regional as opposed to centralised governance (AC Vol 59 No 11).

The TPLF certainly believed that championing provincial self-government within a federal system would win Tigray support against Abiy's centralising policies from other regions of the country, including the Oromo and Somali Regional States. But the TPLF's political domination of the country after 1991 – a key feature of the rule of the EPRDF – was deeply resented by many Oromos and other ethnic groups in southern Ethiopia, even though these groups support the self-governance elements of the constitution. The problem was with the practice not the letter of the constitution.

For many outside the central highland areas, Amhara notions of 'national unity' mean re-imposing the former imperial structure that excluded non-Amhara cultures and languages.

And Abiy's concentration on his

CONFLICT IN TIGRAY – MEKELLE FALLS BUT THE TPLF FIGHTS ON



problem with the TPLF has prolonged a number of inter-ethnic conflicts across the country which have displaced 1.85 million people, according to the latest National Displacement report and exacerbated humanitarian crises.

They include the conflict in western Wollega where the Oromo Liberation Front–Shene operate. More than 50 civilians were killed in an attack at the beginning of November, and federal military units have failed to establish control. The OLF-Shene is also operating along the Kenyan border in the south. In Benishangul Gumuz, 30 people were killed on 14 November, the latest in a series of incidents.

In many areas, the targets of the violence appear to be Amhara, but there has also been fighting in several areas round the Oromo Regional State: along the border with the Somali Region, where hundreds of thousands are still displaced after fighting in 2018; and between the Guji in Oromia and the Gedeo in the Southern Region. The Southern Region has seen conflicts in Bench Sheko and Wolaita and most recently Konso. A long-running dispute between Afars and Somalis in the east has displaced over 100,000 people in the last two years.

The Prime Minister's Office rather improbably accused the TPLF of 'planning, training, financing and executing' all the country's ethnic and sectarian conflicts. A more plausible reason is the collapse of local administration as the EPRDF fell apart since 2017, to be replaced last November by Abiy's new Prosperity Party, which has yet to establish itself effectively.

Victory for Abiy may allow him to start rebuilding local administration and deploy federal forces to re-establish control at local level. However, he will have to find a way to appease the ethnic hopes and ambitions of the other nations and nationalities in the country. Oromos, Somalis, Afars and others have

exercised some local autonomy, if not as much as they would like, under the EPRDF for 25 years and do not want to give this up. This year, the Sidama, one of the 56 peoples in the Southern Regional State, achieved their own state after a long struggle and others indicated their desire to follow suit (AC Vol 60 No 24).

Abiy detained many of his Oromo critics, including opposition leaders **Jawar Mohammed** and **Bekele Gerba**, and placed former Defence Minister **Lemma Megersa** under house arrest earlier in the year (AC Vol 61 No 2). He replaced the Oromo support he had lost with ethno-nationalist Amhara in the Amhara region, and gathered further backing from the Amhara elite in Addis Ababa who yearn to replace the federal system with unitary government.

Opposition Amhara parties like the Ethiopian Citizens for Social Justice (EZEMA), led by **Berhanu Nega**, have strongly supported the operations in Tigray (AC Vol 60 No 1). And days after fighting began in Tigray, Abiy increased the power of leading Amhara figures in government, by adding the post of Foreign Minister to Deputy Prime Minister **Demeke Mekonnen's** portfolio, moving **Gedu Andargachew** from foreign affairs to the post of National Security Advisor, and appointing former National Security Advisor and Amhara President **Temesgen Tiruneh** as intelligence chief.

The Amhara parliament then appointed **Agegnehu Teshager**, a strident opponent of the TPLF, as regional president (AC Vol 61 No 23). Not all were impressed. The recall of troops from Somalia, the call on Eritrean armed forces for help in the field, and the bringing back into service of retired generals and the promotion of a long-time Abiy supporter, General **Berhanu Julia**, an Oromo, from deputy to Chief of Staff, were taken as signs that operations had not gone as well as

expected. There was some concern in the upper echelons of the government and the military about Abiy's determination to crush the TPLF.

Advisors in the Prime Minister's Office still include a significant number of Oromos: former Ambassador

to Washington **Girma Birru**, macroeconomic advisor and former OLF spokesperson **Lencho Bati**, former Minister of Defence **Motuma Mekassa**, and **Hailay Berhane Tesema** on National Security. The Prime Minister, a devout member of the Pentecostal

Mulu Wengel Church, continues to take advice from the Oromo-American evangelist **Gemechis Desta Buba**, as well as other Pentecostalist pastors. For the moment, however, it seems that Amhara advisors – and Eritrea's Issayas – are the most favoured. ●

ETHIOPIA

War resets the region

The Federal government's war with Tigray upsets geopolitics throughout the Horn, and puts Eritrea centre-stage

P rime Minister **Abiy Ahmed's** refusal to consider a ceasefire or even mediation continues to attract widespread condemnation (AC Vol 61 No 23). His unflinching stance was underlined when he met an African Union delegation led by **Ellen Johnson-Sirleaf**, **Joaquim Chissano**, and **Kgalema Motlanthe**. He thanked the Special Envoys of the AU Chair, **South African President Cyril Ramaphosa**, for the AU's concern and this demonstration of support to 'the principle of African solutions to African problems', but ignored any suggestion of a ceasefire.

Instead, Abiy reiterated his government's 'constitutionally mandated responsibility to enforce rule of law', his determination 'to apprehend and bring to justice the TPLF [Tigray People's Liberation Front] clique and their operatives', and his 'commitment to dialogue with civil society and community representatives as well as political parties operating legally within the region'.

Ethiopia's determination has made the AU, which is headquartered in Addis Ababa, and the regional Intergovernmental Authority on Development (IGAD), look ineffective. Nor does it sit well with the AU's headline campaign for peace in Africa this year, 'Silencing the Guns In 2020'. The Chair of the AU Commission did call for a ceasefire but the impact may have been lessened by the fact that in November, Ethiopia chaired the AU's Peace and Security Council.

SETBACK

Ethiopia's pursuit of war against one of its own federal states is a serious blow to the AU's ambitions for an effective African peace and security architecture, and makes a mockery of its oft-stated support for multilateralism and commitment to peacekeeping. Calls for a ceasefire by IGAD chair, **Sudan's Prime Minister Abdalla Hamdok**, made

during four telephone calls to Abiy, were rejected.

Abiy appears to have the support of the outgoing **United States** administration, however. Assistant Secretary of State for African Affairs **Tibor Nagy** and Ambassador to Ethiopia **Michael Raynor** have voiced their support for government action.

When he was the acting Africa supremo in Washington in early 2018, **Donald Yamamoto**, the current US ambassador to **Somalia** – a long-time proponent of bringing **Eritrea** back 'into the fold' – explored the possibilities of an Ethiopian-Eritrean rapprochement when Prime Minister **Hailemariam Desalegn** resigned, including the possible use of **Saudi Arabia** and the **United Arab Emirates** to help underwrite the costs. If reports that UAE drones have been used in combat in support of the Federal government's operations prove correct, some of that agenda would appear already to be in action. Yamamoto saw the appointment of Abiy as an opportunity to limit expanding **Chinese** influence, as well as encourage economic liberalisation in Ethiopia.

The incoming administration of President-elect **Joe Biden** has so far limited its public comments to deep concern about the risk of violence against civilians and potential war crimes and a call for dialogue under AU auspices. It is thought the Biden administration will not give as much diplomatic support to **Egypt** in the conflict over the Grand Ethiopian Renaissance Dam as President **Donald Trump** did (AC Vol 61 No 14).

Although some Egyptian commentators appear to believe a victory in Tigray for the Federal government will increase Ethiopian 'arrogance' in negotiations, continuing internal conflict in Ethiopia can but weaken the government's diplomatic defiance of Egypt over the dam. Also, Sudan has been moving towards Egypt's position on the issue.

Abiy needed Sudan to close its border with Tigray and may well have had to offer concessions over the border and disputed land to guarantee its help. Egypt is working hard to increase its influence in Sudan, as well as elsewhere in the region, in **South Sudan** and **Somaliland**, and Ethiopia may eventually find itself having to make concessions on dam management.

The war also affects Abiy's efforts towards regional integration. One result of the peace agreement with Eritrea in July 2018 was that Ethiopia, Eritrea and Somalia set up a new tripartite body, the Horn of Africa Council (AC Vol 59 No 14). This is intended to eventually replace IGAD, which Eritrean President **Issayas Afewerki** has refused to re-join. He walked out of IGAD in 2007 when it refused to accept his advice over Somalia and also blamed the TPLF for stopping Abiy from handing back the disputed border town of Badme.

COMMON GOAL

Issayas shares Abiy's wish to destroy the TPLF and there is every reason to believe they planned this operation together, with Abiy visiting the Sawa National Service training base in Eritrea in July and Issayas inspecting Ethiopia's main air-base at Bishoftu in October.

Issayas originally confined Eritrean involvement to artillery and mortar fire against Humera, and helped units of the Northern Command that were driven into Eritrea at the beginning of the fighting to regroup and return. He also deployed his forces so as to distract the TPLF. When the advance of Federal forces stalled, Issayas sent infantry and armoured units to cross the border around Badme to drive the TPLF out of Shire. Eritrean troops also advanced to Adigrat from the east.

Abiy and Issayas may both want to destroy the TPLF, but their personal agendas are not, despite some rhetoric from Issayas about Abiy as 'our leader', identical, and some Ethiopians have warned against allowing Issayas to drive Ethiopia's regional policies. They recall that, at the start of the war against Ethiopia that Issayas launched in 1998, he argued that Ethiopia could not survive any conflict as a single state and would break up.

He has said the same about Sudan. Both Ethiopia and Sudan, larger, wealthier and stronger than Eritrea,

are obstacles to Issayas's vision of the proper role for Eritrea in the lower Red Sea. From that perspective, turmoil in

either Ethiopia or Sudan is desirable. Issayas saw his peace deal with Ethiopia as offering a way to crush the

TPLF, and to simultaneously weaken Ethiopia. Current events appear to be going his way. ●

GHANA

Akufo-Addo keeps his lead

The President is more popular than the governing NPP, which could still lose its majority in parliament

With jobs and education topping the list of voter concerns the incumbent, **Nana Addo Akufo-Addo**, goes into the presidential elections on 7 December with a clear margin over his main rival **John Dramani Mahama**, according to independent opinion polls. But the contest for the 275 parliamentary seats between Akufo-Addo's New Patriotic Party (NPP) and Mahama's National Democratic Congress (NDC) will be much closer, the surveys report.

Each of the two main parties has established a voter base of about 40% of the electorate for the past two decade and the toughest fights for the remaining 20% will be in the swing regions of Greater Accra, which has tended to reject incumbents, and Central and Western.

This year, Akufo-Addo is reckoned by the surveys to be ahead in all three swing regions but with a much narrower lead in Accra. However, the NDC could

pick up several parliamentary seats in the three regions, setting the stage for an NPP win at the presidential level with the possibility of the NDC narrowly controlling parliament.

Such a political cohabitation would be novel in Ghana and problematic given the high degree of polarisation, more personal than ideological, between the two parties. It might also strengthen the scrutiny role of the legislature which has failed under both parties to block or revise several poor value natural resource deals (AC Vol 61 No 22).

POLL POSITION

The surveys suggest in many areas, particularly outside the NPP heartlands of Ashanti Eastern region, that Akufo-Addo is more popular than his party. For example, the iRIS Research* poll found in its national survey that Akufo-Addo was more trusted – by an average margin of over 16% – than Mahama

on key issues such as education, the economy, jobs, corruption, security and Covid-19 (see panel).

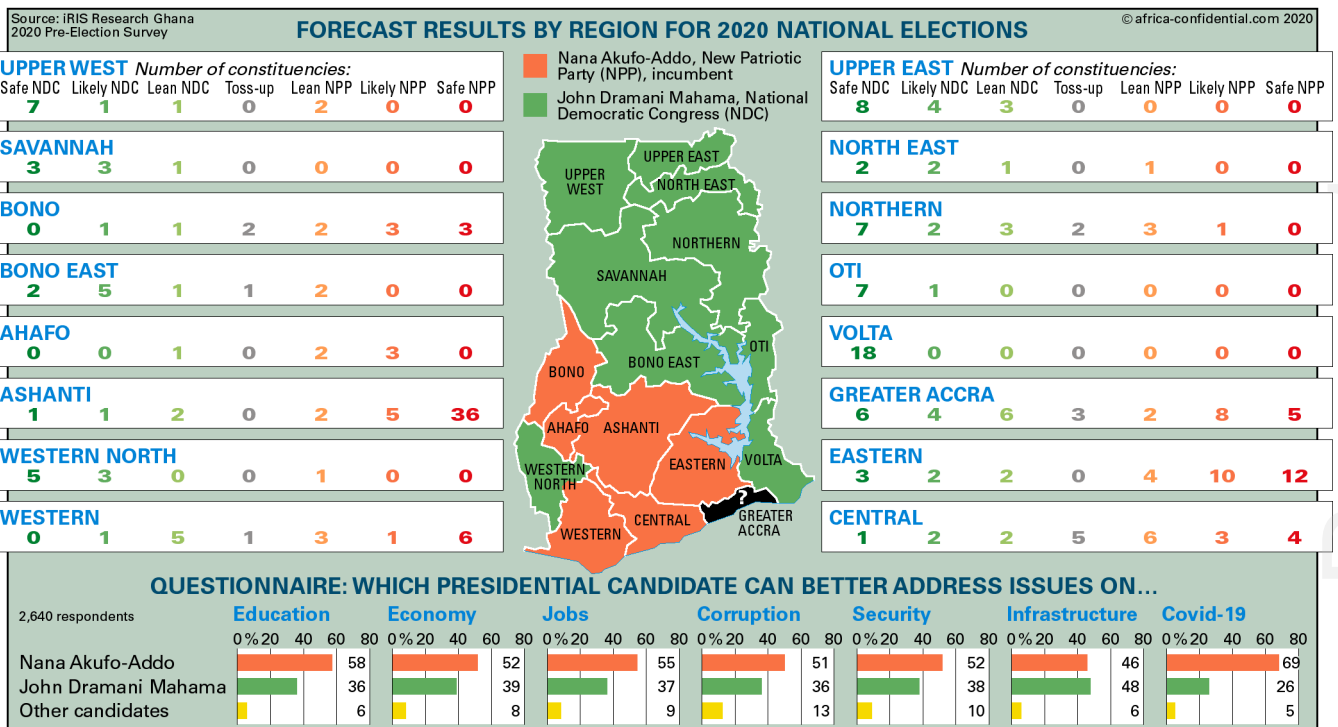
The exception is that Mahama was seen as better on infrastructure: his campaign in 2016 made much of some of his landmark projects such as a new general hospital in the centre of Accra and the Kwame Nkrumah Interchange. Mahama has failed to land any significant blows on Akufo-Addo on jobs and the economy. He has vainly tried to live down the reputation of his government as the era of *dumsor* (power cuts – AC Vol 57 No 24).

Both parties suspended their campaigns for a week last month after the death of former Head of State **Jerry Rawlings**, who had led a military regime then an elected civilian regime between 1981-2000. The NDC, which Rawlings founded, may win sympathy votes on his account although the former military leader remained a deeply polarising figure: strongly backed by urban workers and farmers but opposed by many in business and the professions.

Opinion surveys by the University of Ghana suggest that jobs, education and public health outrank corruption as the top issues of public concern.

Civil society organisations have campaigned far harder on transparency and accountability than the NDC. That

GHANA – SURVEY POINTS TO A CLOSE RACE FOR PARLIAMENT



may explain the government's hostility towards organisations such as the Imani Centre and the Ghana Integrity Initiative which have published critiques of the NPP's record, particularly its plans for the Agyapa gold royalty company (AC Vol 61 Nos 22 & 23).

Almost half (48.6%) of voters surveyed by iRIS thought the NPP government's record on corruption was 'poor' or 'very poor' although most

thought the NDC's record was no better, and some suggested it was considerably worse. The surveys were taken before the row over the Agyapa gold company escalated with the resignation of the Independent Prosecutor **Martin Amidu** and the publication of heated letters between him and the government.

Three months earlier, the saga might have had a material affect on

the election but the NDC was too slow off the mark, and the government has kicked the issue into touch. Few doubt that if re-elected to the presidency and with a parliamentary majority, the NPP will push through an amended Agyapa deal as quickly as it can. ●

** iRIS Research election survey in collaboration with Joy FM media company and Election Headquarters*

NIGERIA

Protest, what protest?

Official denials over the Lekki shootings fail to stand up against the mounting evidence, while activists are targeted in a clampdown

Nigerian government officials continue to downplay the army shootings at youth-led protests against the rogue Special Anti-Robbery Squad (SARS) police unit in October, and are doubling down on their stance as they freeze protestors' accounts and clamp down on social media (AC Vol 61 No 22).

Police and soldiers killed at least 12 civilians in Lagos on 20 October, say Amnesty International and local rights organisations, sparking riots in which police stations and public buildings across Lagos were attacked. The African Union and the United Nations called for investigations into the security forces' actions, but the federal and Lagos governments are mostly denying shootings took place (AC Vol 61 No 21).

Lagos state governor **Babajide Sanwo-Olu** has admitted calling in soldiers, the army has said soldiers

went to enforce a curfew at the Lekki toll gates, and a general – and then Information Minister **Lai Mohammed** – said only blanks were fired. The denials are not widely believed.

The army has been reluctant to allow the investigating tribunal to visit the hospital inside the Bonny Camp barracks where the troops are believed to have come from. But the Lagos state coroner's appeal for citizens to identify corpses brought in during the protests has increased pressure on the military and the government.

The government's hard line was also on show in the freezing of the bank accounts of over a dozen people linked to the protests for 'sponsoring terrorism'. They include members of the Feminist Coalition and Abuja-based public affairs company Gatefield, which provided small grants to journalists covering the protests.

Government supporters said the Central Bank of Nigeria was only responding to a court order granted at the request of the Department of State Services (DSS), the primary domestic intelligence agency of Nigeria, but some of them say the freezing preceded the injunction (AC Vol 61 No 21).

A lawyer associated with the #EndSARS movement, **Modupe Odele**, had her passport seized at Lagos airport as she attempted to leave the country. The state, pundits are saying, is treating the protests as an attempt to subvert the authority of government itself and is acting accordingly.

While the Nigerian Senate claimed to be unaware of the targeted attacks on youth leaders, **British** MPs held a debate on 23 November over a petition signed by more than 220,000 people calling for sanctions on the Nigerian government for its clampdown against #EndSARS activists. The debate was tabled by Conservative MP for Chipping Barnet **Theresa Villiers**, supported by **Kate Osamor**, the Labour MP for Edmonton, whose parents are Nigerian. Under pressure from Osamor, the UK government had previously admitted to funding training and equipment for SARS over the past five years but it would not 'speculate' about sanctions.

MEET THE #ENDSARS GENERATION

Feyikemi Abudu: The popular podcaster and niece of media mogul **Mo Abudu** ran the show from behind the scenes as head of END SARS Response, coordinating food and legal support for the protest, but largely refusing to take credit for a movement that grew organically.

Feminist Coalition: This has 14 founding members including: **Odunayo Eweniyi**, co-founder of thriving fintech start-up Piggyvest; London-based **Fakhriyyah Hashim** who originated the #ArewaMeToo movement tackling gender-based violence in northern Nigeria; and journalist **Nkiru 'Kiki' Mordi** who went undercover in the hard-hitting BBC investigation 'Sex for Grades'. Other founders are: Abudu's podcast partner and film-maker **Jola Ayeye**; **Tito Ovia**, who runs a healthcare start-up (see below); **Oluwaseun Ayodeji Osowobi**, who was named 2019 Commonwealth Young Person of the Year for founding the Stand to End Rape initiative; and **Damilola Odufuwa**, Head of PR for Africa at Binance, the world's largest cryptocurrency exchange.

Tito Ovia: One of the Feminist Coalition's co-founders, the young entrepreneur is daughter of billionaire Zenith Bank founder **Jim Ovia**, who is not only related to Central Bank of Nigeria Governor **Godwin Emefiele** but used to be his boss.

Adewunmi Emoruwa: Like most of those heavily involved in the protest movement, the political and communications strategist at Gatefield is under 30. Gatefield started giving small grants to journalists to cover social justice issues long before the protests, and is the only company named in court documents regarding restriction of funds.

Adetola Onayemi: Onayemi fashioned a formidable trio alongside Abudu and **Modupe Odele**, building a legal platform to support detained protesters. They say it could evolve to support thousands of prisoners awaiting trials in Nigeria's congested jails. An international trade lawyer attached to the vice-president's office, Onayemi was also involved in the drafting of the African Continental Free Trade Area and is officially Nigeria's Assistant Chief Negotiator (AC Vol 61 No 17). ●

The government in Abuja has been attacking the media. Mohammed called for sanctions against CNN for supposed misinformation after it examined footage taken during the Lekki protests and concluded that protesters were in fact shot dead by security forces. He called it 'a poor piece of journalistic work by a reputable international news organisation'.

In what looked like a government riposte to CNN, a certain 'Francois Debuoroiche', 'special rapporteur' at the previously unknown 'International Institute for Investigative Journalism' authored a counter-report condemning CNN's investigation as a hatchet job on social media. Social media accounts of presidential media volunteers and the ruling All Progressives' Congress (APC) shared the counter-report widely, even though both the organisation and its representative were found to be fictitious only hours later.

Mohammed has also denied increasing the fine for 'hate speech' on broadcast media, which critics of the administration have described as a muzzling of the press and civil society, even though videos have been produced of him making that very announcement on national television in August. Interestingly, there are also social media posts from his son **Folajimi Mohammed**, a member of the Lagos State House of Assembly, acknowledging and criticising the Lekki shootings.

CENSORSHIP

Sources in the presidency say the government is more determined than ever before to restrict freedom of expression on social media, which has been the springboard for the #EndSARS protests and other criticism of President **Muhammadu Buhari's** administration, including the rising insecurity in the

north (AC Vol 61 No 5). The bill to censor social media could soon be resurrected. It has been under debate in federal parliament for over a year, and now has the backing of several state parliaments.

The protest organisers, who shun the title of leaders, are now strategising underground. Members of the Feminist Coalition say they have received death threats but are busy planning their next moves, including a push against the social media bill. A deteriorating Nigerian economy – with the national currency falling towards 400 naira to the dollar in the parallel market – is likely to fuel the activists' cause. But the protest movement has refused to become a fully fledged political party, retaining its broad-based appeal across religious, political, ethnic and gender lines, especially in the centre and south of the country where the protests were concentrated. ●

BURKINA FASO

Not so Roch solid

President Kaboré has secured another term but many doubt the security forces' ability to contain the jihadist insurgents

On 26 November, shouts of 'Un coup, KO!', started ringing around the capital, Ouagadougou. The *Commission électorale nationale indépendante* (CENI), led by former journalist **Newton Ahmed Barry**, had just formally given President **Roch Marc Christian Kaboré** 57.87% of the vote, almost 5% more than in 2015. Of the other 12 candidates, only two ended with double digit figures: **Wend-Venem Eddie Komboïgo**, former President **Blaise Compaoré's** choice, with 15.48% and **Zéphirin Diabré**, who came second in 2015, slumped to a disappointing 12.46%, less than half of his 2015 score (AC Vol 61 No 18). All the others scored just over 3% or less, including the former general **Yacouba Isaac Zida**, who watched from exile in **Canada** as he obtained a mere 1.5%.

The legislative elections that ran in tandem with the presidential polls delivered similar results, with Kaboré's *Mouvement du peuple pour le progrès* (MPP) taking 56 seats of the available 127 (a gain of one seat), Komboïgo's *Congrès pour la démocratie et le progrès* (CDP) gaining two seats and now having 20 and Diabré's *Union pour le progrès et le changement* (UPC) decimated: they lost 21 of their seats and now have 12. Questions will be asked about

Diabré's leadership while local media commentaries question if this spells the end of the party.

While the MPP's failure to gain an absolute majority is inconvenient, their cause will be greatly helped by the remarkable performance of a minor party, *Nouveau temps pour la démocratie* (NTD) led by **Vincent Dabilgou**. The NTD, founded in 2015, picked up 13 seats, ten more than in 2015. Dabilgou, who served in several cabinets under Compaoré, was brought in as transport minister during a major cabinet reshuffle of early 2018. Not having a discernible party programme of his own, Dabilgou lined his party squarely behind Kaboré. However, there has been speculation about possible MPP support for the NTD, prompting MPP-president **Simon Compaoré** to publicly deny any 'hidden deal' between the two parties. The net result is that instead of having to rely on a band of small parties in Parliament, the MPP now has a solid majority of 69 to get legislation passed.

Zida and another also-ran, **Abdoulaye Soma**, described the elections as 'catastrophic' and 'the worst in our history', claiming fraud but theirs was a minority view. Local observers including the authoritative *Convention des organisations de*

la société civile pour l'observation domestique des élections pronounced themselves generally satisfied with the electoral process, in spite of what CODEL termed 'several instances of dysfunction' relating to intimidation by party militants and voting materials arriving late. To date, the Constitutional Court has received six complaints about irregularities in individual polling stations, insufficient to overturn the results. As five losing candidates including **Tahirou Barry** and **Ablassé Ouédraogo** sent congratulatory messages to Kaboré within hours of CENI's announcement, the much-vaunted electoral pact that was supposed to deliver victory to a united opposition unravelled.

FALSE POSITIVE

Observers ascribe the opposition's heavy defeat to negative campaigning. Kaboré pulled out all the stops and ran a lavish, slick and highly positive campaign that had him visit many parts of the country, highlighting his road-building programme, a long neglected necessity. To the extent that it was designed to make voters forget that Kaboré has also presided over the worst humanitarian crisis and the most violently insecure period in the country's history, it worked.

The opposition, much less well-funded, was vocal about what it did not like about Kaboré's first term but failed to present an attractive alternative. The one idea it did put forward – that the government should open negotiations with the jihadists who are wreaking havoc in the north and the east of the country – clashed with Kaboré's muscular approach, evidently

far more popular with Burkinabè, in spite of reported excesses (AC Vol 60 Nos 4 & 11).

Voting itself was peaceful, although as predicted several polling stations in the jihadist-affected north and east did not open. Local reports suggest that the disruptions were less severe than had been feared but turnout was still below 50%. Apathy as much as insecurity kept voters away from the polls. The candidates only wanted to appear, as one observer put it, as the best person to be 'Looking after the shop' (AC Vol 57 No 14).

There will, therefore, be no honeymoon, according to the online paper *Wakatsera*. Kaboré and his so far unchanged team will need to grapple immediately with the continued fallout from Covid-19, the stuttering economy but most of all the dismal security situation and Burkina Faso's

humanitarian crisis, with United Nations agencies saying that one million people have now been displaced and an estimated three million are in need of food assistance.

VIGILANTES

Of longer-term concern is the integration of armed vigilante groups in power structures across the country. One of these, voluntary defence groups called *Volontaires pour la défense de la patrie* (VDP), is a government creation while the ostensibly law-and-order oriented *Koglweogo* were publicly endorsed by government ministers when they made their presence felt at the start of Kaboré's first term (AC Vol 58 No 6 & Vol 60 No 21).

These groups are omnipresent in the centre, east and north of the country and their regional distribution largely follows their ethnic affiliation to the

majority Mossi population living there. As Sahel analyst **Rida Lyammouri** of the Morocco-based Policy Center for the New South points out, the worry is not just that these groups are a law unto themselves but that their prolonged presence – under the guise of providing security – can legitimise some local power structures while delegitimising others, which opens the way to more violent conflict. While the risk of an inter-religious conflict has receded, these groups could turn the anti-jihad offensive into an anti-Fulani (or Peuhl) campaign, as has already happened on some occasions (AC Vol 60 No 4).

Jihadist groups have already cottoned on to this emerging power dynamic: on the eve of the elections, they killed five VDPs in the north in what looks like a new campaign; in September they killed six VDPs in the east. ●

AFRICA/EU

An uncivil union

The EU and the AU are pressing ahead with plans for a 'strategic partnership' but the rhetoric masks serious disagreements

Closer agreement on development assistance and its goals between the European Union and Africa was one of the first foreign policy initiatives to come out of President **Ursula von der Leyen's** European Commission. But there is little progress because the EU and African Union cannot agree on what a 'strategic partnership' should look like, while neither side knows who really speaks on its behalf.

An EU-AU summit had been planned for October to forge a new agreement on trade and climate policy, but was cancelled because of Covid-19 (AC Vol 61 No 19). Now, EU Council President **Charles Michel** has announced, with minimum consultation, that the EU will host a more informal 'mini-summit', pencilled in for 9 December, although this could also fall victim to the pandemic. **Josep Borrell**, the EU's High Representative for Foreign Affairs, wants a subsequent EU and AU ministerial meeting, due to be hosted by **Rwanda**, to take place by next March. A final EU-AU summit is set to take place in the first half of next year in Lisbon, while **Portugal** holds the rotating EU presidency, to finalise the new agreement.

The pandemic has already forced some changes to the agenda. 'The main narrative was that we want an

equal partnership – we don't want to have a donor-recipient relationship. Even though the strategy is still valid, Covid-19 has changed a lot,' says **Jutta Urpilainen**, the EU's Commissioner for International Partnerships. That is likely to prompt an expansion of the agenda to include reinforcing healthcare across Africa and increasing EU investment in education.

Meanwhile, **Borrell** says the EU should push the international community to agree an ambitious debt relief programme for Africa. 'For most countries, if we do not give debt relief then they will be in debt crisis,' he said in October.

The Commission's March strategy paper is still the only document on the table, and proposes five partnerships on energy, digitalisation, inward investment, peace and migration (AC Vol 61 No 5). The AU's paper is yet to be finalised and agreed upon by African ambassadors to the AU. That has prompted concerns, particularly from civil society groups in Africa and Europe, that the EU executive has driven the agenda.

The most contentious issue is likely to be trade policy. The EU says it will continue to support the African Continental Free Trade Agreement (AfCFTA), planned to launch on 1 January, but that EU-Africa trade must

be based around the unloved Economic Partnership Agreements, a legacy of **Peter Mandelson's** tenure as EU Trade Commissioner over a decade ago (AC Vol 61 No 3). With the exception of the one with the Southern Africa Development Community (SADC), the regional EPAs are all unratified. The continent's least developed economies enjoy tariff-free access to the EU market with or without the EPAs, while wealthier countries complain that the EPA terms are punitive.

Privately, most EU officials and member states, including **Germany**, say that the EPA process is dead, but not the officials in the EU's Directorate-General for International Cooperation and Development (DG Devco).

The EPAs offer generous levels of market access to both sides but African officials say they need to be scrapped and replaced with improved terms providing for lower or zero tariffs for manufactured goods and allowing African regional blocs to promote their domestic industries.

GREEN DEAL

Several DG Devco officials have said that AfCFTA must be aligned to the EU's new Green Deal, a 10-year €1 trillion programme launched by Von der Leyen in Spring 2020 which is designed to shift Europe to a low-carbon economy.

One of the elements of the Green Deal is the proposed introduction of a carbon tax to fund EU budgets, which risks imposing an additional charge on a wide range of imports into the EU. The idea of establishing green value chains in Africa – one of the measures at the heart of the Green Deal – is fanciful and will take decades to reach, AU officials say. And the continent's aid-dependent countries are concerned about the EU's

ONE JOB, TWO GOVERNORS

In technical terms, the European External Action Service (EEAS), the bloc's diplomatic service, will lead negotiations with the African Union on behalf of the EU. In practice, however, the Directorate-General for Development Cooperation (DG Devco) did most of the drafting of the Commission's March 'strategic partnership' paper and remains the driving force. **Koen Doens**, former chief of the Commission's spokespersons' service, the EU's spin machine, is the Director-General of DG Devco.

Old-style Official Development Assistance (ODA) policy continues to be the predominant mindset in Devco. The EEAS, led by EU High Representative for Foreign Affairs **Josep Borrell**, is more political and reflective of national priorities, including migration and trade. Complicating matters further is the fact that DG Devco falls under the remit of International Partnerships Commissioner **Jutta Urpilainen**. In fact, the complexity of the EU structures reflects a long-running power struggle within the EU executive for control of EU-Africa policy.

For the African Union, the talks coincide with elections for the AU Commission, for which candidates were nominated in September. The current AU Commission chairman, Chad's **Moussa Faki Mahamat**, is up for re-election, and there is little sign he will not get a second four-year term (AC Vol 58 No 3).

In the meantime, AU policy is led by former Executive Secretary of the UN Economic Commission for Africa **Carlos Lopes**, who is now the High Representative of the AU Commission in its negotiations with the EU post-2020.

There is little love for Lopes among the EU's Devco officials, who don't like the fact that he is far more assertive than representatives of the toothless Organisation of African, Caribbean and Pacific States (ACP). Lopes, who pushed unsuccessfully for the AU to carve out a continent-to-continent agreement with the EU instead of a replacement for the 2000 Cotonou Agreement between the EU and ACP, is also viewed with suspicion by some African leaders, especially those of the larger countries (AC Vol 59 No 21).

Elsewhere, momentum is being driven at member state level, primarily by **South Africa**, whose President **Cyril Ramaphosa** currently chairs the AU. ●

has the official mandate to negotiate with the AU.

A further complication is that the AU Commission's constitution does not give it the mandate to negotiate a continent-to-continent trade pact. While **Carlos Lopes**, the AU's chief negotiator on the post-Cotonou treaty and the former executive secretary of the UN Economic Commission for Africa, is the main driver of AU Commission policy, most of the momentum comes from member states, especially **South Africa** (AC Vol 59 No 21).

The process is further complicated by the potential for overlap between EU-AU negotiations and the talks on the successor to the 2000 Cotonou treaty, between the EU and the Organisation of African, Caribbean and Pacific States.

STUMBLING BLOCK

Despite constant promises that a deal is at their fingertips, the successor to the 2000 Cotonou Treaty is no closer to being agreed, largely because of long-running disagreements on migration policy (AC Vol 60 No 10). The EU has sought to put migration and sexual and reproductive health rights, another sticking point in the post-Cotonou talks, onto the agenda of the EU-AU summit in the first half of 2021, much to the annoyance of the AU.

The December mini-summit is likely to focus on the distribution and production of a Covid-19 vaccine. The AU is likely to explore whether the EU will support Africa's pharmaceutical sector to produce the vaccine to supply the continent. The summit will almost certainly take place online – South African President **Cyril Ramaphosa**, who currently chairs the AU, has urged Michel not to insist on it being in-person – and with no decisions taken at the end of it. One insider describes the planned meeting as 'a PR exercise, nothing else'. ●

plans to attach new conditions to aid, by specifying that 25% of aid money must be spent on projects related to climate action.

When it comes to energy and climate policy, Africa's reference is the Paris Accord not the EU's ambitions, say officials.

The pandemic has prompted the EU to prioritise economic recovery among its member states through a €750 billion recovery fund. The coffers for external spending are bare, and African governments have expressed

frustration that the promises of cash from the EU's External Investment Programme, a legacy of **Jean-Claude Juncker's** Commission presidency, have not been borne out.

But aside from the substance of policy, there are long-running institutional tensions over who negotiates on behalf of each side. For the European Commission, DG Devco, which drafted most of the March strategy paper, is the driving force. However, the EU Commission's diplomatic section, the European External Action Service,

UGANDA

Museveni falls back on force

The President seems to have run out of subtle tactics for dealing with Bobi Wine's electoral threat and is resorting to brute force

The dozens of killings by security forces in recent opposition protests indicate the Ugandan authorities intend to rely on brutal repression to cow the population, intimidate voters, and lower the opposition turnout in February's election.

The riots of 18-19 November, which broke out after the arrest of pop-

star-turned-opposition leader **Robert Kyagulanyi Sentamu**, aka **Bobi Wine**, were Uganda's deadliest in many years with about 54 people shot dead by security forces (AC Vol 61 No 20).

All the national elections organised under Museveni have seen opposition political rallies violently suppressed, politicians beaten up and arrested,

and supporters killed. Museveni and his handlers appear to believe these tactics, effective against the supporters of **Kizza Besigye**, the perennial opposition challenger for the presidency since 2001, will succeed against the supporters of **Bobi Wine**.

But **Bobi Wine** – unlike **Besigye** or **Museveni** – belongs to the country's biggest religious denomination, the Catholic Church, and its biggest ethnic group, the Baganda. Many pundits, however, believe it is far more important that he is young, a pop star, and carries the hopes of a very discontented younger generation.

Some have played up the ethnic and religious aspect, drawing parallels with the 2009 Kayunga riots, which were

sparked by the government preventing the King of Buganda from visiting a contested part of his kingdom. But Bobi Wine's support is thought to be more strongly founded than this, which helps explain the violence of the state against the protests.

Bobi Wine was arrested in the Luuka District of eastern Uganda for breaching Electoral Commission guidelines stipulating that no more than 200 people can attend rallies during the Covid-19 pandemic.

Within hours, protesters were burning tyres, forcing people to take off any yellow clothing (the colour of the ruling National Resistance Movement – NRM), and attacking lone police officers. The protests spread quickly and police units not trained in handling riots were deployed in addition to the riot squads (which is being offered as an explanation for the high death toll).

However, the security forces' ferocity may have been deliberate. Security Minister General Elly Tumwine told

journalists that the police 'has a right to shoot and kill' those who reach a 'certain level of violence'.

In the past, the authorities have apologised when excessive force has been used to quell civil unrest. In August 2018 the army denounced 'unprofessional conduct' and pledged to hold the culprits accountable for the violence that followed Bobi Wine's arrest in northern Uganda and the killing of his driver (AC Vol 59 No 18). Not now, however.

'CRIMINAL GANGS'

Museveni has ramped up the rhetoric, blaming the riots on foreign sponsors who 'do not like the stability of Uganda... They have entered an area we know very well: fighting. That is up to them. Whoever started it will regret it,' Museveni told a rally. He called the protestors 'criminal gangs', although he admitted that 20 of the 54 shot dead were not rioters and their families would be compensated.

The government narrative is that the unrest is part of the opposition's 'Plan B', in reference to a call from Besigye earlier this year for Ugandans to fight to recapture power from Museveni's 'military government' (AC Vol 60 No 23).

Bobi Wine has vowed to keep going. 'I have news for you, Mr Museveni, and those that work to sustain the dictatorship. We cannot be broken,' he told journalists in Kampala. 'We are not going to stop fighting for a better Uganda.'

Pressure from the international community, which has in the past forced Museveni to be cautious, is largely lacking this time. Some pundits believe the West is going easy on the President because it fears yet more unrest in an already unstable region. Whether foreign views have any impact on Museveni's decision-making or not, the military is now definitively in charge of civil order in the run-up to the election and its role is unlikely to diminish. ●

KENYA/ICC

The Hague's unexpected guest

What lies behind the arrival of Paul Gicheru at the ICC after years defying an arrest warrant for alleged witness-tampering?

Weeks after Kenyan lawyer **Paul Gicheru** handed himself in to the International Criminal Court to face witness-tampering charges, the speed with which he has been processed through the Court's notoriously glacial bureaucracy has elicited speculation in Nairobi that Gicheru may be looking for a plea bargain with the prosecutor.

Gicheru, who until 2013 ran a private law practice in Eldoret, is accused of being the manager of a scheme to corrupt ICC prosecution witnesses in the cases of Deputy President **William Ruto** and radio presenter **Joshua arap Sang** (AC Vol 51 No 25). He was wanted by the ICC alongside his associate, **Philip Kipkoech Bett**, and journalist **Walter Osapiri Barasa**. While the state for years attempted to execute the ICC warrants on all three, it was frustrated by the Kenyan courts. In Gicheru's case, the High Court dismissed a Ministry of Interior application in November 2017 to effect his extradition.

Whether Gicheru's surrender will have any material implications on reviving Ruto's vacated ICC cases is, at this point, only a remote possibility. ICC Prosecutor **Fatou Bensouda** – clearly

still unconvinced of the innocence of the former indictees – has attributed the failure of the Kenyan cases to a combination of poor preparation and decision-making on the part of her office (when it was under her predecessor, **Luis Moreno Ocampo**), lack of cooperation from the government of Kenya, and witness-tampering.

Any claims that Gicheru procured prosecution witnesses on behalf of the Deputy President were never proven. However, five of the six witnesses Gicheru is accused of approaching were part of a group of eight later deemed hostile by the prosecutor in the Ruto and Sang cases; they had informed the Office of the Prosecutor that they no longer wished to cooperate with it.

Early this year, Ruto disclosed that there was a scheme to re-open his case; he had been informed about it, he said, by intelligence boss **Philip Wachira Kamero**. Ruto did not indicate whether the information was proffered as a warning or a threat.

Gicheru's 'defection', as some wags describe it, is seen as part of a larger campaign against the Deputy President. Lately, this has included a slew of fake news stories on social media, including

a story last week purportedly by France 24 linking Ruto to 'Hutu Power' financier **Félicien Kabuga**. France 24 has denied that it produced the story. Another fake story, published on the masthead of *The Standard* newspaper, had Gicheru alleging that Ruto was behind the 2013 death of outspoken Makueni Senator and former justice minister, **Mutula Kilonzo**, who had loudly questioned the eligibility of the **Uhuru Kenyatta**-Ruto 2013 presidential ticket on moral and constitutional grounds (AC Vol 53 No 8).

The veiled attacks against Ruto escalated on 23 November when the Directorate of Criminal Investigations (DCI) boss, **George Kinoti**, at a press conference announced that he was revisiting 2007-08 post-election violence cases. He had bussed in 118 witnesses, most of whom, we hear, were post-election violence victims still living in Uganda, having never been resettled. Connections were immediately made with Gicheru's surrender at The Hague earlier in the month.

OLD WOUNDS

Outraged Kalenjin and Rift Valley Kikuyu leaders warned that these tactics risked re-opening old wounds. At the launch of the Building Bridges Initiative Referendum Bill two days later, President Kenyatta passionately denounced Kinoti.

It is suggested that the DCI boss, himself perennially linked to one State House faction or another, had either acted under instructions from the First Family – he is reputedly close to

the President's brother, **Muhoho**, and **David Murathe**, the ruling party's vice-chair and the face of the anti-Ruto campaign around the President (AC Vol 61 No 8) – or he had acted as the President's trial balloon and subsequently took the fall. The latter scenario is plausible to the extent, we hear, that Kinoti has lately grown close to State House, which, among other things, may have secured the DCI its operational independence under the BBI's proposed referendum bill.

The government has recently sought to distance itself from Gicheru. In a letter dated 24 November, Attorney General, **Kihara Kariuki** told the ICC that the government would not cooperate with the Court in the Gicheru matter because he had violated a binding decision of the High Court freezing the ICC's arrest warrants and obligating him to inform the High Court of any decision to surrender to the ICC.

However, it is unlikely that Gicheru, being a state officer, could have left the country without the knowledge and approval of the head of the public service, **Joseph Kinyua**, formerly State House's chief of staff, the most experienced civil servant in the Jubilee administration.

At The Hague, Gicheru stated that he had travelled at his own expense accompanied only by his wife. His sudden arrival, however, was enough to prompt Bensouda to publicly deny that her office had played a role in it.

'This surrender was without coercion from anybody and I did so at

my own expense. So, it was a voluntary surrender. There was no coercion. There was no threat,' Gicheru told Judge **Reine Adélaïde Sophie Alapini-Gansou** via video link.

Gicheru's surrender came three years after a court in Nairobi rejected the State's attempts to execute an ICC warrant of arrest. In his November 2017 ruling, Justice **Luka Kimaru** dismissed the ICC's warrant against Gicheru and Bett as 'speculative', a curious assessment given that the warrants were based on 1,957 pages containing documentary evidence, including witness statements and interview transcripts, official documents and correspondence (AC Vol 57 No 11).

ACCUSED

Gicheru and Bett are accused by the ICC of procuring the witnesses for between Ksh 500,000 (about \$4,500 at current rates) and Ksh 5 million, a violation of Article 70 of the Rome Statute.

Rewarded with a sinecure by the Jubilee administration soon after it came to power in 2013, Gicheru was chair of the Public Procurement Administrative Review Board – an appointment apparently made from the Deputy President's side of the ruling coalition – when Judge **Ekaterina Trendafilova** of the ICC's Pre-Trial Chamber II issued a warrant for his arrest in March 2015.

In May of that year, however, Cabinet Secretary for the Interior, the late **Joseph Nkaissey**, alongside then Director of Public Prosecutions,

Keriako Tobiko and former Attorney-General, **Githu Muigai** – all considered Kenyatta loyalists – sought to execute the warrant through Kenya's courts. It was a rare display of cooperation by the Kenyan state with the ICC, and perhaps consistent with claims from Ruto's allies that State House anticipated that he would be politically liquidated at The Hague thereby sparing them the effort (AC Vol 61 No 11).

Kikuyu by birth, Gicheru was born and bred in Uasin Gishu County, Ruto's native county, is a fluent Kalenjin speaker and, until 2013, owned a law practice in Eldoret town, the county capital. While Ruto's ICC lawyer dismissed the suggestion of any links between the two men, everyday small-town gossip suggests otherwise.

In September 2018, Gicheru was moved from the PPARB and appointed chairperson of the Export Processing Zone Authority, another state body. It now appeared that he was being rewarded by the Kenyatta faction of the ruling party, with Ruto's influence seriously diminished in the wake of the Kenyatta-Odinga March 2018 'handshake' pact.

Unrepresented, Gicheru exudes the air of a man who knows that no prosecutor would pass up what he has to say.

'My concern is not that he will be released. My worry is what happens after he is released. We have lost too many whistleblowers in these ICC cases,' remarks a prominent Nairobi-based human rights defender. ●

CONGO-KINSHASA

Tshisekedi's moment of truth

The President faces a fork in the road, after national consultations aimed at breaking a tense impasse with his predecessor fizzle out

President **Félix Tshisekedi** faces an expectant nation. He has split up the coalition with former President **Joseph Kabila's Front Commun pour le Congo (FCC)** and finished a month of much-hyped national consultations on 24 November, but there is still little sign of him opening a new road to the future (AC Vol 61 No 22).

The consultations at the *Palais de la Nation* in Kinshasa's Gombe commune did attract some heavy-hitters – notably ex-Katanga governor **Moïse Katumbi** and ex-Vice-President and former International Criminal Court detainee **Jean-Pierre Bemba**. But **Martin**

Fayulu, who is still holding out for official recognition of his apparent 2018 presidential election victory, did not attend (AC Vol 60 No 2). A wide range of civil society figures heeded Tshisekedi's call to come and talk, giving credibility to the notion that the President and the people are united, and that the only hold-outs are Kabila's FCC, a political coalition that dominates the National Assembly and the Senate.

Towards the end of the talks, however, some senior FCC members did attend, including, to the delight of the President's entourage, the former president's brother. **Zoé Kabila** is governor of Tanganyika Province, and

like the other FCC attendees came as part of provincial delegations; Kabila was part of the Grand Katanga delegation, which also included the governors of Haut Katanga, Lualaba and Haut Lomami, the provinces that were carved out of Katanga with the *découpage* (decentralisation) of 2015 (AC Vol 56 No 7).

However successful the consultations, Tshisekedi still can't get a majority in the National Assembly without the FCC. An ominous sign was the failure of a recent parliamentary motion brought by his *Union pour la Démocratie et le Progrès Social (UDPS)* that opposed National Assembly president and Kabila-loyalist **Jeannine Mabunda**. One reason, however, was that the UDPS stubbornly refused to reveal the motion's text to deputies from other parties, and demanded they sign it unread. Few were tempted.

If Tshisekedi cannot build a new parliamentary majority, his choices are: dissolving the National Assembly and calling fresh elections; retaining

his presidency but abandoning the government to the FCC (referred to as cohabitation); or swallowing his pride and striking a new deal with Kabila. The first option is expensive and might well not deliver a significantly better result for the President. Cohabitation would see Tshisekedi lose control and lucrative opportunities for patronage, but it could also be bad for Kabila because it would make it look as though he had conducted a coup by stealth, and that could endanger his prospects for future international support and money.

SOLIDARITY

Despite the urging of many in the FCC and some in civil society, there is no sign of the President pursuing the third option – reconciling with Kabila. Instead, Tshisekedi has appealed to those he considers his allies on the continent – mainly, it seems, the heads of state of **South Africa, Angola, Egypt and Kenya** – to show their solidarity with him. Tshisekedi broke off his consultations to visit Luanda for talks with President **João Lourenço** on 16 November, a day before a *Confédération Africaine de Football* qualifier match in the city between the two countries' teams (Congo-Kinshasa won 1-0). On 20 November, the Congolese and Angolan air forces staged a joint fly-over at Kinshasa, prompting a comment from **Kikaya Bin Karubi**, who was one

of Kabila's most senior diplomats, that this was a message aimed at Kabila but it was 'useless' because the only solutions to the country's political crisis were internal.

Another front in Tshisekedi's ongoing war against Kabila is the *Inspection Générale des Finances* (IGF) and its combative head, **Jules Alingete Key**. Alingete has been making headlines implicating FCC politicians in the misspending of public funds.

Alingete claims that US\$32 million earmarked to pay the salaries of teachers has been stolen. The agency responsible for teachers' pay is the *Service de Contrôle et de la Paie des Enseignants* (Secope). Secope falls under the FCC minister of *Enseignement Primaire, Secondaire et Technique* (EPST), **Willy Bakonga Wilima**.

Alingete has also alleged fraud at the state-owned farm Bukanga Lonzo. According to Alingete, a staggering \$285m of public money has been spent on the farm, \$205m of which has disappeared. The main politician in the firing line here is former Prime Minister **Augustin Matata Ponyo Mapon**, who authorised the spending but denies wrongdoing (AC Vol 60 No 19).

Alingete has implicated the senior management of the civil aviation regulator, the *Régie des voies aériennes*, in the embezzlement of \$6m in airport taxes collected between 2015 and 2019.

RVA head **Abdallah Bilege**, who was appointed by Kabila, was arrested and detained on embezzlement charges on 10 November. Less helpfully for Tshisekedi, Alingete has also accused the health ministry, headed by **Eteni Longondo** of the UDPS, of mismanaging Covid-19 funds.

Alingete has also picked a public fight with FCC Finance Minister **José Sele Yalaghuli**, over pay for civil servants and the military. Alingete wrote a letter on 6 November stating that 185 billion Congolese francs (\$94m) of a 421bn franc (\$214m) wage bill was being withheld. UDPS Secretary-General **Augustin Kabuya** weighed in, accusing Yalaghuli of not wanting to pay the army, police and civil servants. Yalaghuli has denied any wrongdoing, accusing Alingete of not understanding public accounting, saying that all payments up to the end of September 2020 had been made and insisting that the 185bn francs outstanding would be settled soon.

HIGH-PRICED ADVICE

Giving an indication of the hefty cost, meanwhile, of Tshisekedi's vast and growing array of advisors are figures recently released by Yalaghuli, showing that the presidency spent \$289m in 2019/20, 571% of its budgetary allocation. The prime minister's office spent 240% of its allocation.

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Embarrassed at the revelations, the presidency sought to blame Kabila, claiming that large monthly payments to the former head of state come out of its budget. Yalaghuli has denied this, saying Kabila's money comes from the budget ministry. A March 2019 document, apparently from the central bank, indicates that

Kabila received \$680,000 in February 2019 alone.

Despite the ongoing political rancour, the 2020/21 budget was adopted by the National Assembly on 14 November, two weeks after it was introduced. The budget is for \$6.9bn, much lower than the \$11bn advertised in the 2019/20 budget. A realistic budget

for 2020/21 was one of the International Monetary Fund's main preconditions for a new lending programme, and the ease with which the government's draft text glided through the Assembly suggests that Congolese politicians of every stripe, while disagreeing about everything else, all want the hoped-for funds to land. ●

CÔTE D'IVOIRE

Echoes of the dark days

The President's re-election has revived old rivalries. His opponents say that his gestures towards reconciliation lack conviction

It was only hours after the Constitutional Court confirmed President **Alassane Ouattara's** overwhelming win at the 31 October presidential elections on 9 November that the victor extended an olive branch to the opposition, which had watched helpless as Ouattara barrelled his way to a controversial third term (AC Vol 61 No 22). The opposition, gathered around the unlikely figure of the 86-year-old former president **Henri Konan Bédié**, himself deposed in Côte d'Ivoire's first coup in 1999, could do no more than announce the creation, on 2 November, of a *Conseil national de transition* (CNT – Transitional National Council), which the director of the ruling *Rassemblement des Houphouëtistes pour la Démocratie et la Paix* (RHDP), **Adama Bictogo**, instantly dismissed as 'an act of defiance against the authorities'.

But just over a week later, Ouattara and Bédié stood side-by-side at the Golf Riviera Hotel wearing facemasks, declaring they would henceforth be in regular contact with each other. (The two men were confined to the same hotel almost a decade earlier while they waited for **Laurent Gbagbo** to be dislodged from power in April 2011).

This was President Ouattara's grand political gesture. He had invited Bédié for talks which, with most of his fellow CNT members either under house arrest or in jail and his own home barricaded by police, he had little option but to accept.

Little came out of their brief 11 November meeting, their first in over two years, other than that 'the ice had been broken' and that they would call and meet regularly. The same day, police lifted the siege of the Bédié residence and those of the remaining CNT members, including **Assoa Adou**, exiled ex-President Laurent Gbagbo's right-hand man in Brussels. **Maurice Kakou Guikahué**, the Secretary-

General of Bédié's party, the once all-dominant *Parti démocratique de Côte d'Ivoire* (PDCI), remains in prison, as does **Pascal Affi N'Guessan**, the *Front Populaire Ivoirien* (FPI) candidate who lost to Ouattara in 2015, who was arrested for 'sedition'.

The detentions made Bédié's position in the talks with Ouattara difficult to sustain, and he later suspended the dialogue until after his fellow CNT members are released, as criticism grew of his original acceptance of Ouattara's invitation.

CASUALTIES

The government has released casualty figures on the violence around the election which make grim reading. It claimed 85 lives across the centre, the PDCI's traditional heartland, the coastal areas and parts of the west. In dozens of towns and cities, gangs of youths hacked and burnt people to death and destroyed property. A clearly out-of-his-depth minister for Security and Civilian Protection, General **Vagondo Diomandé**, banned all street protests for two weeks from 2 November but was widely ignored. Almost 500 people have been injured and more than 20,000 Ivoirians are known to have fled; more than 12,000 to neighbouring **Liberia**, the rest to **Ghana, Guinea, Mali** and even **Togo**.

Accusations fly between the government and the opposition about who is responsible, with the latter claiming that government-supported criminals – popularly known as 'microbes' – were sent by the ruling party to attack communities which had no choice but to defend themselves. But others say the local communities started the trouble, targeting Malinké (Mandingo) people. Reports and video footage from places like M'Batto, Daoukro, Toumodi and Bangolo depicted gruesome killings, which led to riots.

Three frequently used terms describe the communities opposing each other: '*autochtones*' (people born and bred locally), '*allochtones*' (Ivorians but not belonging to the local community) and '*allogènes*' (the generic term used for foreigners). The violence appears to be mostly between the *autochtones* and Malinké.

This means that the spectre that has haunted the country since the 1990s is back: the imagined community of 'we Ivorians' against 'the rest', now widely identified with the Ouattara government (Ouattara is Malinké). The divisions became entrenched in the 1990s, when Bédié instrumentalised the dubious ideology of *ivoirité* ('Ivorianness') to change the constitution and exclude Ouattara from elections. They led to the outbreak of civil war in 2002, and the violence in the 2010-11 post-electoral crisis – and are making a comeback now.

The addition of the ethnic element to the political dimension helped set the election violence on such a dangerous course. Some of the most sensationalist newspapers say there is risk of 'a Rwanda scenario'. Reports continue to come in about roadblocks and high tension between certain communities. Suspicion also informs the stance of **Albert Mabri Toikeusse**, one of Ouattara's erstwhile allies, who warned on 10 November against falling for what he called 'another one of Ouattara's ruses'.

Prime Minister **Hamed Bakayoko**, however, has reached out to former president Laurent Gbagbo, and he has had a meeting with FPI secretary-general Adou. Earlier, Gbagbo had broken a nine-year silence to give a long interview to **France's** TV5 television station, just a few days before the elections, in which he warned of 'catastrophe' should the poll go ahead. He said he was opposed to Ouattara's third term bid but would work for peace in the country. Bakayoko must have called Gbagbo in order to find out whether he was as good as his word.

Ivorian media are buzzing with speculation about a grand meeting of the 'Big Three' – Ouattara, Bédié, Gbagbo – but nothing is likely to happen until after Ouattara's inauguration on 14 December.

One important politician remains out in the cold: **Guillaume Soro**.

The leader of *Généralités et Peuples Solidaires* (GPS), who was ruthlessly cut out of the presidential race, issued a dry statement repeating that Ouattara was an illegitimate president and that the country was in a state of civil war (AC Vol 61 No 1).

GPS is none too pleased with the attitude of the international community, which opposed illegitimate third presidential terms elsewhere in the developing world but seems to have lost its voice here. Other major players in Côte d'Ivoire, including France and the EU, have merely 'taken note' of the election result. President **Emmanuel Macron's** belated formal letter of congratulation to Ouattara, however, did concentrate on the need for dialogue.

Macron has been nudging Ouattara towards conciliation, and the visits by EU, UN and French diplomats to the besieged Bédié prior to Ouattara's 'olive branch moment' helped lower the temperature. Gentle international pressure on all sides is likely to persist. There is enough turmoil in Francophone West Africa already, the international community thinks.

On 4 November Soro called from

his exile in France for the Ivorian army to revolt, which endangered his exiled status. President Macron said France does not want to host someone working to destabilise another country. Soro is reported now to be among political friends either in **Belgium** or **Turkey**.

Two weeks after Soro's call to arms the Ivorian authorities issued an arrest warrant for him and three of his close aides, **Abdoulaye Fofana**, **Issiaka Fofana** and his communications director **Moussa Touré**.

UNHEEDED

Much has been made of the 'Group of 8,400', the number of former *Forces Nouvelles* rebels which Soro once commanded and are now in the 25,000-strong national army. Those ties have weakened, however. Of the 10 former FN zone commanders (com-zones) who controlled the northern half of the country between 2002 and 2011, **Issiaka Ouattara** ('Wattao') died in January this year, while others – like the notorious **Losseni Fofana** ('Loss') and **Zakaria Koné** – now have lucrative careers in the army and little to rebel about. Soro's call went unheeded.

As for the 'Big Three', they show no

sign of retiring, however much damage they may have caused. 'That would be undemocratic,' was Gbagbo's reply to a suggestion in an interview that he make way for a younger generation.

His party, the FPI, has been split down the middle for almost a decade. From within the PDCI we hear that Bédié's main impact on the party has been to scare off all younger talent. Failure to rejuvenate could spell the end of Côte d'Ivoire's oldest political movement. The highly successful banker **Tidjane Thiam**, liberal, free-market oriented and widely expected to enter Ivorian politics, would once have found a natural home in that party but if he gets involved it will very likely be in his own right. It is equally unlikely that the RHDP will survive Ouattara's eventual departure: failure to find a successor – neither Bakayoko nor fast-rising star Bictogo appear to be to the liking of other party bigwigs – could be fatal. The end could come quicker still, however, if the wild speculation turns out to be true: that Ouattara may be grooming his younger brother **Téné Birahima Ouattara**, aka 'Photocopie' because of their physical resemblance, to succeed him (AC Vol 61 No 14). ●

SOUTH SUDAN

Economy running on fumes

Tumbling oil revenues have severely dented government finances, as debts mount and donors balk at picking up the bill

South Sudan's economy is dead on its feet. Falling oil prices have squeezed government revenues, sending hard currency reserves tumbling and inflation soaring. Political stability may now rest on the ability of leaders to maintain discipline in their ranks and confidence in each other, as the financial bargain at the heart of the 2018 peace agreement comes under pressure (see box).

A recent Ministry of Finance presentation seen by *Africa Confidential* describes a 'devastating socio-economic impact' and 'a shortfall of approximately 60%' against 2019-20 oil revenue targets due to the crash in crude prices since March. Oil accounts for more than 85% of South Sudan's government revenues. Modest production increases have failed to compensate. As a result, in August the Central Bank announced it had run out of foreign currency and could no longer prop up the beleaguered South Sudanese Pound, which promptly went into free fall.

Cities like Juba depend almost entirely on imports, and the cost of the food, fuel, and medicines purchased with foreign exchange have soared, while the value of salaries and savings have fallen still further, compounding the misery of a conflict responsible for Africa's biggest refugee crisis since the 1994 **Rwandan** genocide. Over 4 million South Sudanese fled their homes and an estimated 400,000 have died as a result of five years of conflict prior to the 2018 peace deal, though violence has continued.

So have assaults on the economy, and few, if any, of the financial reforms included in the peace deal have been implemented.

South Sudan still has no budget for the current financial year, which began in July, and the National Legislative Assembly needed to pass it has yet to be re-formed along the lines of the peace agreement. Spending has instead been facilitated by an increasingly dubious presidential extension of last

year's budget, aided by a patchwork of off-budget deals and questionable arrangements.

The modest rally in world oil prices means little for South Sudan's relatively low-quality crude, which trades at a discount and costs up to US\$11 a barrel to ship through the Sudanese pipelines and ports for export. The finance ministry projects that revenues will 'decline by more than 30%' compared to the last financial year. The same cannot be said for spending, however.

IF YOU CAN'T BEAT 'EM...

South Sudan's 2018 peace agreement is as much an economic settlement for faction leaders and their beleaguered rank-and-file as a political one. This is most clearly seen in the size of the administration since the return of opposition leader **Riek Machar** to Juba in February.

The expanded unity government is set to become one of the largest in the region and comprises five vice-presidents; adds 15 new ministries for a total of 35; and grows the parliament from 330 to 550 members.

A government report shows that by the third quarter of the 2019-20 financial year 'public administration' had already spent 154% of its approved budget, despite dramatic revenue shortfalls, while three times the allocated budget had been spent under

'rule of law' budget lines, which include the Ministry of Interior.

A vast oil-for-roads infrastructure project is also set to continue, according to the finance ministry's draft budget plan, diverting over 60% of net oil revenues into an opaque financing arrangement managed directly by the Office of the President with minimal oversight from other parts of the power-sharing government. The result is a projected deficit of \$721 million – more than the \$585m in total resources available to the government.

Plugging this budget deficit seems increasingly unlikely, and promises made to leaders, their followers and the civilian population risk coming undone.

DONOR DOUBTS

The government had hoped the peace deal would open the door to renewed donor support and continues to argue that more money is needed to implement the financial reforms of the peace deal, but Western donors have mostly balked at providing direct financial support to a government that has squandered its remaining trust (AC Vol 61 No 3).

With no action yet taken on serious governance failings and corruption concerns flagged by the donors, they are only prepared to pay for the humanitarian bill: the EU pledged more than €44m in humanitarian aid this year, making a total of over €590m since 2014.

In April the EU stressed that 'greater accountability and transparency, [the] fight against corruption, and adherence to international financial standards are expected from the new government.' The month before, the UK's National Crime Agency followed the US Treasury in issuing an Amber Alert to the private sector, describing a conflict 'fuelled by corruption' and warning of 'a lack of commitment by the elite to their country's development'.

Juba had better luck with the International Monetary Fund this month, securing \$52m from the Covid-crisis fund, the Rapid Credit Facility (AC Vol 61 No 12). A year ago the IMF had warned that 'off-budget transactions are undermining fiscal discipline and budgetary integrity, which have led to high corruption vulnerabilities.' Some say the new loan marks a significant step towards South Sudan mending its relationship with international financial institutions.

The government previously patched its budget holes with loans from an array of private creditors (AC Vol 60 No 17). In the past year this included loans from the African Export-Import Bank and a revolving credit facility with the commodity trader Glencore

TIME FOR TRANSITION IS RUNNING OUT

With little more than nine months of the three-year transitional period established by the September 2018 peace deal remaining, there is mounting concern that the country won't be ready for next year's winner-take-all elections (AC Vol 61 No 3). President **Salva Kiir's** implementation of key, already agreed processes is so slow, his critics say, it could eventually trigger a military response from the former rebels.

According to the Revitalised Agreement on the Resolution of the Conflict in the Republic of South Sudan (R-ARCSS) a government of national unity bringing in the former rebels of **Riek Machar** and others, was supposed to rule for an interim period to prepare for the first elections since independence. A new cabinet was belatedly agreed last March, after the President agreed to drop his unilateral creation of 32 new states, based on ethnic minority management, from the 10 in place at independence (AC Vol 61 No 10).

In mid-November the new chair of the peace monitoring body, the Reconstituted Joint Monitoring and Evaluation Commission (R-JMEC), retired **Kenyan** Major-General **Charles Tai Gituai**, stressed the urgent need to 'finalise the structures of government without further delay' and to re-establish the Transitional National Legislative Assembly.

However, the President continues to drag his feet and seems to be more interested in helping broker a peace deal in **Sudan**, and insists on keeping alive the discredited South Sudan National Dialogue process that he instituted in December 2016 at the height of the civil war.

Long-standing dissident **Lam Akol Ajawin** dismissed the National Dialogue as a 'futile attempt to impose one viewpoint on our people and sneak through the back door controversial issues that were at the centre of conflict in the country'. Salva's process would set aside key elements of the already agreed reconciliation mechanisms, such as the Commission for Truth, Reconciliation and Healing; the Hybrid Court for South Sudan; and the Compensation and Reparation Authority.

Equally worrying is the attitude of Riek Machar's chief military commander, the UN Sanctions Committee-listed **Simon Gatwech Dual**, to the delays. He said, 'the implementation of the peace deal is wanting, behind schedule, and fragile' and that his troops should be prepared to return to war. He is also one of several political actors in Juba complaining that Riek is under virtual house arrest.

Talks in Rome designed to bring R-ARCSS holdouts – such as Lieutenant General **Thomas Cirillo Swaka** and former Salva-ally and strongman General **Paul Malong Awan** – back inside the fold keep collapsing. Reasons include ceasefires breaking down in Equatoria; the worst flooding in living memory; widespread intercommunal violence across the east of the country; and a recent bout of cross-border fighting with **Ugandan** troops. ●

via the South Sudanese company Trinity Energy.

But there are now signs that even private creditors are losing patience. In October the Qatar National Bank instigated arbitration proceedings with the World Bank's International Centre for Settlement of Investment Disputes (ICSID), hoping to recover loans of \$700m dating back to a mismanaged Letters of Credit import programme that ran from 2012 to 2015. In June the High Court in London ordered South Sudan to pay the commodity giant Trafigra \$9.7m in unpaid debts.

CORPORATE CONTRIBUTIONS

In the interim, the government appears to have found other ways to tap its oil wealth.

In May South Sudan's High-Level Taskforce for Covid-19 announced a supplementary budget of just under \$5.5m. A 25 June health ministry document shows that \$1.4m of this

budget was financed directly by South Sudan's joint venture oil companies, rather than by the government, through a 'CSR [Corporate Social Responsibility] Contribution Agreement'.

The Contribution Agreement requires the companies to make their payments 'directly to the MOH's [Ministry of Health] contractors', rather than into government accounts. The details of a private dollar bank account for a 'Juba Trading Co Ltd.' are included in the health ministry document. Companies required to pay hundreds of thousands of dollars to Juba Trading include joint ventures comprising **Chinese** companies China National Petroleum Corporation (CNPC) and Sinopec, along with **Malaysia's** Petronas and **India's** ONGC Videsh.

The government will now have to choose whether to repair its standing with international donors through reforms, or to double down on its unorthodox dealings. ●

ZAMBIA

The beat goes on

After the default, Western bondholders and Chinese creditors are jostling for priority but secrecy is blocking a credible solution

National politics and geopolitics are set to scupper any attempts to resolve the crisis over Zambia's more than US\$12 billion foreign debt. There is little sign that President **Edgar Lungu's** government will produce a credible debt-restructuring plan acceptable to both Western and Chinese lenders.

Following the country's historic sovereign default – its failure on 13 November to meet a \$42.5 million coupon payment on its \$3bn of Eurobonds – there is a strong prospect of a continuing build-up of arrears until after the next elections, due in August 2021 (AC Vol 61 No 21).

Insiders say that President Lungu and the ruling Patriotic Front are much more focused on winning re-election next year – boosting votes by spending on public projects such as cheap fertiliser for farmers – than on addressing the ballooning debt arrears and repayment impasse with foreign creditors.

In particular, the government's Farmer Input Support Programme – which cost an unprecedented \$500m over the past year – is seen as a key source of patronage for the ruling party (AC Vol 61 No 19). Opposition campaigners say that it is the serial economic mismanagement and misuse of state funds by President Lungu's government, not the public health emergency of the Covid-19 pandemic, that is the core reason for the debt implosion.

The geopolitics around Zambia's debt are almost as tortuous, pitting the mainly Western holders of the \$3bn in Eurobonds against Chinese banks in the struggle to get paid. In the fog of the debt wars, there is minimal transparency of loan terms on the Chinese side, which bondholders feel disadvantages them in negotiations with Zambia.

Loans from Chinese banks and companies make up over \$3bn of Zambia's outstanding debt, and there could be as much as \$2bn of undisbursed credits from China still in the pipeline. Some experts say that China's state entities have been re-categorising liabilities, turning the China Development Bank, for example, from a state-backed policy bank to a 'commercial lender'. This could affect international negotiations over the disclosure of loan terms. There is one set of standards for bilateral creditors and another for commercial lenders.

It was China's appetite for copper and cobalt over the past decade that fuelled Zambia's mini-boom but the misuse of its credits have worsened the economic downturn. The International Monetary Fund reckons Zambia's GDP could shrink by 5% this year as the kwacha continues its fall against the US dollar. Some forecasts put current GDP at just \$17bn – a drop of \$10bn since 2018.

As Lusaka's revenues and forex reserves fall, levels of distrust between the competing sets of creditors and the government are mounting. Western

creditors don't want Zambia to cut a secret side-deal with China's creditors. In turn, China's banks say they are not prepared to offer debt relief if it is to be used to pay off hedge funds in the West.

The best way to resolve this would be full disclosure on all sides but that looks unlikely. An IMF team is due in Lusaka next month but few bankers expect any progress until after next year's elections.

A credible debt-restructuring package to deal with what some creditors describe as the 'coming surge of defaults' would need IMF endorsement; especially if it paves the way to relief on repayments to official and commercial creditors. Apart from calling for tough conditions on public spending, the IMF would also probably want an audit of all Zambia's public debt obligations.

Some economists within the international financial institutions, such as the IMF, the World Bank and the African Development Bank, are holding up Zambia as a test case. Last month the IMF said it wanted a more coordinated approach towards dealing with state lenders that is 'acceptable both to the Paris Club [of official creditors] and others [meaning China and Russia]'. That plan would mean more accurate reporting of debts, and equal treatment between official and commercial creditors. All that would require a degree of trust and openness on all sides that is palpably missing.

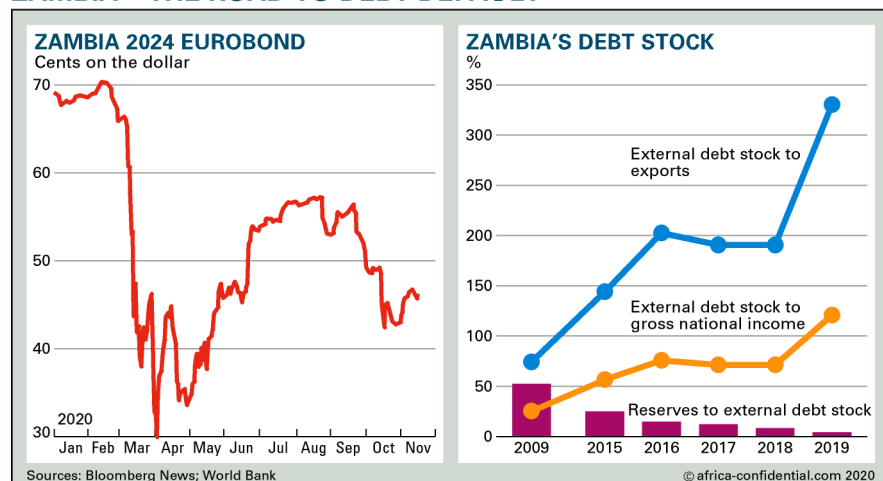
Finance Minister **Bwalya Ng'andu** claims to be treating the creditors equally, but the bondholders disagree, pointing to the refusal to divulge the terms of Zambia's debt of \$3bn to China, 60% of it to China's Export-Import Bank, and significant sums to the Industrial and Commercial Bank of China (ICBC).

The bondholders question the utility of many of the projects China's loans are financing. They also suspect that the secrecy China insists on is designed to conceal overpricing and kickbacks.

China's creditors said they would disclose details of loans to the bondholders only on condition they signed confidentiality agreements. The bondholders refused, saying it could expose them to conflicts of interest, but they also doubted whether their agreement would result in full disclosure of the terms.

Bondholders fear that any agreement on their part to suspend repayments – it was their refusal to countenance a six-month 'standstill' that led to the default – would make it easier for Zambia to put repayments to commercial Chinese creditors in front of the bondholders in the queue. Concessions by China so far are token at best, they say. China is

ZAMBIA – THE ROAD TO DEBT DEFAULT



pushing hard for arrears of over \$200m to be cleared before talks on a wider restructuring.

China threatened Zambia with demands to foreclose on large sums owed to its banks and companies if it went ahead with the \$42.5m coupon payment last week, we hear. In a television interview on 15 November, Ng'andu admitted that he had been placed under pressure by other creditors to default.

Bondholders also want to avoid precedents that may encourage other countries with bonds and large Chinese debts, such as **Ghana** or **Angola**, to assume they can force bondholders to make concessions while continuing to pay Chinese loans.

NO PLAN

The biggest problem remains Zambia's failure to produce a credible financial recovery plan. Zambia has been borrowing on an epic scale since 2017, little of it under the control of the finance ministry. That meant no IMF programme has been possible. The Fund classed Lusaka's management as so bad that it refused loans under its almost conditionality-free Rapid Credit Facility, designed to mitigate the effects of the Covid-19 pandemic.

The bondholders are publicising Zambia's continuing borrowing, which it has admitted includes a further \$1bn in commercial loans over the next three years. In a statement on the default the bondholder committee issued 16 November, they said, 'the [Zambian] authorities have publicly advertised plans to continue borrowing material amounts from non-concessional sources over the next three years, and to service these credits (as well as other loans tied to other projects) on a timely basis.'

This looms far larger than Chinese opacity in the bondholders' eyes. They argue that they have 'no basis to conclude that the authorities intend to treat bondholders on an equitable basis with other commercial and non-concessional creditors'.

SURGE IN DEFAULTS

Zambia's Eurobond default is the tip of the iceberg (AC Vol 61 No 20). In addition to the \$12bn external debt that Zambia says it needs to restructure, there are also several billion dollars in state guarantees, some of which are for large loans that are also in default. At least one creditor is preparing to call in its sovereign guarantee for a loan of more than \$120m imminently, we hear (AC Vol 61 No 21).

This surge of defaults is hindering Zambia's efforts to restructure. One Chinese lender that has halted

HOW LUSAKA SPRINTED TO ITS DEFAULT

Like the bankrupt in **Ernest Hemingway's** *The Sun Also Rises*, Zambia's debt crisis happened gradually at first, and then suddenly. Lusaka's ability to repay and the wisdom of some of its loans have been questionable since 2017, when the International Monetary Fund deemed the country at high risk of 'debt distress'. By May 2019 defaults had begun, when Zambia failed to pay **Italian** bank *Intesa Sanpaolo* for a loan of €97 million to buy two military transport aircraft – well after the finance ministry had promised in June 2018 to curb new, non-priority borrowing (AC Vol 60 No 24).

Zambia also incurred huge debts to **Israeli** defence and security companies for equipment and programmes of doubtful value. Israeli creditors are mulling arbitration proceedings, we have learned.

While **Chinese** banks have been in focus, with the Export-Import Bank of China disbursing almost \$1 billion to Zambia in 2018 alone, the largest single lender in 2019 was UK Export Finance, the operational name of the Export Credit Guarantee Agency.

The £244m (\$291m) finance was for rural clinics and mini-hospitals to be built by the UK defence company NMS; a project which has also experienced defaults. The project began before UKEF agreed to the loan this January using funds from Nedbank, which lent Zambia the \$45m it needed for the 15% counterpart payment typical of project finance agreements. It is now in default to Nedbank to the tune of around \$10m, and is unlikely to make the next \$5m payment, due imminently, our sources say.

On 28 October China Development Bank agreed to suspend interest and principal due on 25 October this year and give Zambia until 25 April 2021 to pay, but the figures in question remained secret. Deals had not been reached with other commercial Chinese lenders at the time of the default on 13 November. But on 16 November the government announced that China's Exim Bank had agreed to suspend the interest and principal 'on sovereign loans amounting to \$110m due between 1 May and 31 December 2020.' Lusaka claimed it would be 'transparent in the process of debt relief' but failed to specify the sum of money suspended. Critics pointed out that the relief only lasts until the end of next month.

Restructuring deals with China is difficult and are negotiated behind a veil of secrecy. **Congo-Brazzaville's** restructuring of its Chinese debt, which was required in order to secure a \$449m IMF bailout after debt soared to 118% of GDP in 2017, saw an extension of some of the repayments for an extra 15 years, but with no reduction in the principal, thus not reducing the overall amount, only pushing repayment further into the future (AC Vol 61 No 15).

China's refusal to allow Congo-B or the IMF to share the details of the agreement with other creditors, notably the Paris Club, avoided setting a precedent. The IMF deal has since fallen apart.

Zambia's payments crisis has badly affected the kwacha, which is in steady decline as foreign currency supplies dwindle. The kwacha is now at about 21 to the US dollar, despite central bank governor **Christopher Mvunga** saying on 3 November that he was defending the currency successfully to prevent it sliding lower than 20. Commercial banks are believed to be about \$250m in forex transactions arrears, and this will mount up as the central bank is releasing only \$30m a week into the banking system, say finance sources in Lusaka. They add that the government is printing money, further weakening the kwacha.

Foreign reserves, published by the central bank with a time lag of two months, were said to be \$1.3bn in August. However, sources close to the Bank of Zambia say that they have fallen to just \$1.1bn and concerns are growing about US dollar payments.

Zambia has no revenue windfalls on the horizon. Its previous cash cow, the mining sector, is in trouble. Its growth fell to -8.4% in the second quarter of last year; a heavy drop from a positive 3.3% at the start of 2019. By the third quarter it had fallen to almost -10%. This coincides with a tougher tax regime which has deterred mining companies from increasing production or investment. ●

restructuring because of defaults is the Industrial and Commercial Bank of China (ICBC) which was expecting better protection, investor sources said.

The bondholder committee argues that its members became creditors between 2012 and 2015, when Zambia's

debt was sustainable and risk lower, and that should entitle them to preferential treatment. Others, they argue, such as many of the Chinese loans, should wait since most of their loans were made after that, when Zambia's ability to repay was looking more doubtful. ●

POINTERS

Ethiopia/Somalia

THE LONG ARM OF ADDIS

■ Prime Minister **Abiy Ahmed** is known for tolerating little dissent in his cabinet, but less well known for being able to decide the fate of ministers in other countries' cabinets. That's what happened, we hear, when **Somalia's** President **Mohamed Abdullah Mohamed 'Farmajo'** sacked his Foreign Affairs Minister, **Ahmed Isse Awad**, on 19 November.

Awad's sin was to have called for dialogue to end the fighting in Tigray (AC Vol 61 No 23). Shortly after, Awad dismissed the statement, saying it did not represent the views of the government. A few hours after that, however, he was out of a job.

A week beforehand, in Nairobi, the **Kenyan** government approached Awad to publicly back Kenya's plea for an Intergovernmental Authority on Development mediation effort led by its former Vice-President, **Kalonzo Musyoka**.

Once back home, Awad consulted his deputy, **Mohamud Abdullahi Siraji**, and **Fahad Yasin**, the National Intelligence and Security Agency (NISA) boss, and the three agreed to back IGAD and the Kenyans. Ethiopian intelligence apparently warned Abiy of a risk that a majority of IGAD members might support mediation.

A furious Abiy then called Farmajo, we hear, and said that if Mogadishu supported rebels in Tigray, he would do the same with rebels in Somalia, and ordered his counterpart to publicly confirm his support for Addis Ababa. A chastened Farmajo duly fell in line, and then ordered Awad to apologise. After that, Abiy called back and demanded Awad's head, which he got.

Central African Republic

PRE-ELECTION JITTERS

■ The funeral of **Maryse**, the late wife of **Jean-Serge Bokassa**, son of the former Central African Republic 'Emperor' **Jean-Bedel Bokassa**, witnessed a serious incident which disrupted the ceremony and caused anxiety about the actions of President **Faustin-Archange Touadéra's** bodyguard and prospects for a peaceful election this month. As mourners filed away, Touadéra's bodyguards smashed the windows of one of the cars of former President **François Bozizé**, seizing his bodyguard's weapons, which had been left on the car seats. A brawl followed and shots were fired in the air.

After calm was restored Bozizé protested about the arbitrary actions of the presidential guard, which is drawn from Touadéra's Mbaka-Mandja ethnic group and is not integrated in the national army (AC Vol 61 No 22). As a former head of state Bozizé is entitled to a close protection guard. If it happened again, he said, the rules of self-defence would apply.

Instead of adopting a conciliatory attitude, however, the presidency increased the temperature by broadcasting a statement on the radio threatening harsh measures against anyone who interferes with the government and the law.

Three days later, on 27 November, the Constitutional Court disqualified all parliamentary election candidates who were leading armed groups, most of whom are members of the *Mouvement des Coeurs Unis*, the presidential party. The reaction of the armed groups to this setback is anxiously awaited, as is a Court decision on whether or not Bozizé can stand and what role the president's own armed group will play in the polls.

São Tomé e Príncipe

LONG-DISTANCE LEADER

■ São Tomé's government-controlled Constitutional Court has denied recognition of veteran politician **Patrice Trovoada's** unopposed election in absentia as leader of the opposition *Acção Democrática Independente* (ADI). The court said his election on 3 October at the party's congress by a show of hands was improper, and should have been by secret ballot, as the party statutes require. The ADI won't accept the decision, arguing that the court has no jurisdiction.

Last December, the Court refused to confirm Trovoada's election in September, also unopposed and in absentia, on the grounds that it recognised **Agostinho Fernandes**, who had been elected ADI leader by a dissident party faction in May.

Fernandes's election was never recognised by the majority faction controlled by Trovoada who has been trying to regain control of the party since leaving for voluntary exile in **Portugal** in November 2018 (AC Vol 59 No 24).

Trovoada has not returned, fearing indictment on corruption charges from the current government. Trovoada, son of ex-president **Miguel Trovoada** and a wealthy businessman, has spent most of his life abroad (AC Vol 60 No 10). Uncontested ADI leader since 2001, he has run the ADI as his private business controlling his party by patronage, perks, co-option and intimidation.

The dissident Fernandes's election was the first attempt to challenge

Trovoada's authority. However, that faction eventually succumbed to Trovoada's pressure. Trovoada retains tight control from abroad.

While Trovoada battles for control of his party with the Court, the governing parties are trying to find a way to exclude him from next year's presidential elections. They plan to outlaw the candidacy of anyone not previously resident in the country for at least 180 days preceding the elections.

Namibia

SWAPO SWEPT AWAY

■ The electorate dealt a stunning blow to the ruling SWAPO Party in the 25 November municipal elections, costing it its majority in four of the country's 14 regions. Disaffection among young, urban voters especially was judged responsible for the upset, as SWAPO lost in 30 of the 51 towns and villages for which results had been declared by 2 December. The party of liberation took 40% of the vote, down from 73% at the 2015 elections, while hanging on to a more respectable 57% share (down from 83% in 2015) among its rural heartland Oshana voters in the north and centre.

SWAPO lost the three biggest towns – Windhoek, Walvis Bay and Swakopmund – for the first time since independence and opposition coalitions took control. The biggest beneficiary is the recently established Independent Patriots for Change (IPC) led by **Panduleni Itula**, who came a strong second to President **Hage Geingob** in the November 2019 presidential election (AC Vol 60 No 24).

Younger voters no longer buy into SWAPO's story that it deserves to rule because it won independence in 1990. They are angry about failure to act on land reform, job losses in the crucial fishing sector. The 'Fishrot' scandal implicated two former cabinet ministers and their associates in bribery by foreign fishing firms.

The Landless People's Movement, under former lands deputy minister **Bernadus Swartbooi**, also benefited, sweeping SWAPO out of southern Namibia because of its failure to act on any of the recommendations of the second national land conference two years ago.

The LPM won both regional councils (Karas and Hardap) from SWAPO along with 12 municipalities, thanks to its backing from the Nama community who, like the Ovaherero traditional leaders in the east, want so-called ancestral land seized by white settlers under the successive **German** and **South African** colonial rulers to be returned directly to them.

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BLUE LINES

'Warning lights - for our societies and the planet - are flashing red' thunders the UNDP's latest report, which introduces a new variable - a country's emissions of carbon dioxide and its material footprint - into its Human Development Index.

The big idea of the report, 'Human Development and the Anthropocene', is that as the earth moves from the Holocene to Anthropocene epoch it will require a radical spirit of cooperation and policy coordination to save the planet. Trying to frame solutions to discrete problems won't work, it argues. Technology and innovation alone will not avert environmental disaster. It will also take the kind of global cooperation meant to emerge at the COP26 Climate summit in Glasgow in November 2021.

Failure at that summit will exact a devastating price: especially, for the just over 800 million people, many in Africa, whose lives will be wrecked by rising sea levels. By 2100 the poorest countries in the world could experience up to 100 more days of extreme weather each year if policy commitments agreed in Paris in 2015 are not respected. The report also calls for an international system of carbon taxation. The big oil companies would have to change tack, as would the many states - including in Africa - that offer hefty subsidies via tax rules to fossil fuel producers. The IMF estimates fossil fuel subsidies at over US\$5 trillion a year, or 6.5% of global GDP. The stakes are rising.

GHANA

A twist in the election tale

After making big gains in parliament, the opposition rejects the presidential results - the lawyers on all sides will be busy

It was all running like clockwork. The verdict in the national elections on 7 December was set to be free and clear of dispute - more or less a repeat of the seamless process in the 2016 elections, and a strengthening of the three-decade-old multi-party system (AC Vol 57 No 25). But the elections have been none of the above. The main opposition party is crying foul, refusing to recognise the results, and is heading for the courts.

Calls by a ruling party leader in Ashanti for the arrest of his opposition counterpart on treason charges on 16 December gives a sense of the deepening polarisation between the two biggest parties: the ruling New Patriotic Party and the opposition National Democratic Congress. Politicians and civic activists warn about tensions spinning out of control.

Until now, Ghana has been an oasis of political calm while neighbours have been shaken by insurgent groups pushing for secessionist or jihadist causes. Both sides could easily draw back from the last week of sabre-rattling. Some cross-party cooperation will be essential to running a government next year, especially with the strong possibility of a hung parliament after the current disputes are settled.

The Electoral Commission announced on 9 December that incumbent President Nana Akufo-Addo won the presidential election with 6,730,587 votes (51.3%) while former President John Mahama polled 6,213,182 (47.4%). Third party and independent candidates won just 1.339%

of the votes. Results for the Techiman South constituency were still awaited as we went to press.

At his party headquarters on the following day, Mahama said there was a 'deliberate plan to manipulate and predetermine the results of the election in favour of the incumbent candidate'. He also accused Akufo-Addo's government of using state resources and 'other schemes on a scale never before seen' to influence the outcome of the election.

Still more seriously, Mahama questioned the neutrality of the armed forces which he said had been used to 'reverse election results, and used to insist on recounts in areas in which the incumbent has lost whilst arm-twisting election officers during these supposed recounts'.

TALLY TUSSE

The NDC also says it won 140 of the 275 parliamentary seats and 'would not accept anything short of a declaration of the legitimate results'. Dismissing this, the Commission announced on 10 December that the NPP had won 137 seats out of 274 constituencies declared, with the NDC on 136 and one independent MP, **Andrews Amoako** in Fomena constituency. The results of the Sene West constituency are outstanding due to administrative problems over the creation of a new local government area.

Most local and international observers judged the elections peaceful and credible, but some, along with civil society groups such as the Imani Centre, have

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criticised the Commission's operations and communications.

The Coalition of Domestic Election Observers (CODEO) said that it had verified the official results using a Parallel Vote Tabulation (PVT). That's based on data it received from 1,502 polling stations across the country's 16 regions. It added that the two main parties had agents at over 99% of the polling stations and they had signed the official results declaration forms and had copies of them. It criticised the Commission's response when it was found to have made errors in adding up voter tallies, but said these errors would not have affected the outcomes in the presidential or parliamentary races.

CODEO did not respond directly to the NDC claims that use of tallies from the 16 regions by the Commission in Accra, instead of taking results directly from each of the 275 constituencies as in previous elections, had allowed errors and confusion to creep in.

With Liberia's former President **Ellen Johnson Sirleaf** at the helm, the Economic Commission for West African States' observer mission praised the vote effusively and called on other states to emulate Ghana's example. President Akufo-Addo is the current chairman of Ecowas. According to the Ghana Police, five people were shot dead in 61 'electoral and post-electoral' incidents

GHANA PRESIDENTIAL AND PARLIAMENTARY ELECTIONS HELD ON 7 DECEMBER, 2020

Population: 31,072,940
Registered voters: 17,027,655
33,367 polling stations

PRESIDENTIAL ELECTION RESULTS (top five candidates)

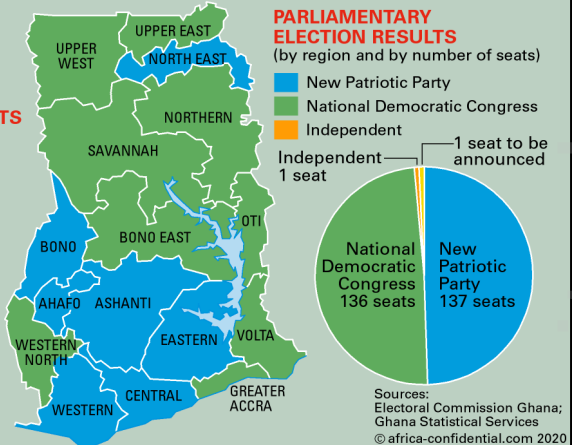
Nana Akufo-Addo
New Patriotic Party (NPP)
6,730,587 votes (51.3%)

John Dramani Mahama
National Democratic Congress (NDC)
6,213,182 votes (47.4%)

Christian Kwabena Andrews
Ghana Unity Movement (GUM)
105,548 votes (0.8%)

Ivor Kobina Greenstreet
Convention People's Party (CPP)
12,200 votes (0.09%)

David Asibi Ayindenaba Apasera
People's National Convention (PNC)
10,882 votes (0.08%)



and the government has been ramping up security across the country.

The NDC is likely to contest the parliamentary results in at least six constituencies: Essikado Kentan, Sefwi Wiawso, Sene West, Techiman South, Tarkwa Nsuaem and Zabzugu. It says they were fraught with irregularities such as ballot box snatching, over-voting, inconsistent tallying of votes, declaration of bulk results without the supporting result forms (the so-called pink sheets). If successful those challenges would give the NDC a working majority in parliament.

The NPP is to challenge the results of the Banda and Nkwanta North constituencies over claims of inconsistent tallying of votes. All the petitions over the parliamentary results will be adjudicated individually at the High Court.

'EVIDENCE'

Although his colleagues say they have a 'crack team of lawyers' with 'forensic evidence' of malfeasance in the presidential elections, Mahama is yet to confirm that he will challenge the results at the Supreme Court.

He has 21 days after the formal declaration of results on 9 December to file a petition.

The last such case, brought by Akufo-Addo in 2012, dragged on for over eight months and stalled much government business (AC Vol 54 No 15). Under the new rules, the Supreme Court is expected to rule on any petition within 42 days.

Even if the Commission's results stand, the NPP's slim majority and the NDC's impressive gains, of over 30 seats, should strengthen parliamentary scrutiny. Important public agreements, legislation and executive appointments require a simple majority but are likely to be fiercely contested from now on.

Sene West in Bono East region voted for the NDC's **Kwame Twum Ampofo** in 2016. If the NDC holds the seat, it will be equally matched with the NPP, with the sole Independent MP holding the balance of power. That may affect the election of a parliamentary speaker: there is no requirement that the Speaker must come from the Majority. The Independent MP for Fomena could have the casting vote on this any many other issues.

However the legal disputes and political bargaining turn out, the NDC has pulled off a comeback in parliament at least, setting the country up for another close contest in four years time.

SUCCESSION

Insiders say that Mahama would be likely to run again in 2024 but competition for the NPP ticket would be intense. The field would be headed by Vice President **Mahamudu Bawumia**, a Muslim from northern Ghana and said to be Akufo-Addo's choice as successor. He could likely face heavyweight rivals such as **Joe Ghartey** (Railways Minister), **Alan Kyerematen** (Trade), **Kyerematen** (former Energy), and **Ken Ofori Atta** (Finance). Party managers in the NPP will be hard-pressed over the next four years. ●

HUNG PARLIAMENT MAY BOOST SCRUTINY

The narrowness of the gap between the two main parties in parliament may raise its potential to demand unprecedented accountability from government, political pundits are saying.

Parliament is better known as a rubber stamp for presidential programmes than as a legislative inquisitor. Governments of both parties have rammed through laws on 'certificates of urgency' widely believed to curtail debate. Controversial bills are tabled on the last day of parliamentary sessions and other devices used to prevent too many questions being asked.

Politicians advocating a greater role for parliament are enthused, we hear, by the idea that an 'awkward squad' in the NPP or NDC now has the potential to prevent the chamber glossing over controversial issues that could embarrass the leadership, possibly by expanding the role of select committees.

The Agyapa gold royalties scheme, the Karpower electricity scandal, and the Tema harbour container terminal contract – on which *Africa Confidential* is shortly to publish a major investigation – are just some of the projects that could come under the parliamentary spotlight. ●

ETHIOPIA

Abiy's mission in Mekelle

The government says it's mopping up the last pockets of resistance in Tigray as evidence of Eritrean involvement emerges

Two weeks after he declared the completion of his 'law and order operation' on 28 November with the capture of Mekelle, Prime Minister **Abiy Ahmed** visited the Tigray regional capital on 13 December to give weight to his claim that the fighting was truly over. Any ongoing hostilities were no more than 'sporadic gunfire' as the army hunted down militias and Special Forces allied to the Tigray People's Liberation Front (TPLF). 'We will continue apprehending the criminal clique,' he tweeted.

In Mekelle, Abiy met and congratulated army commanders who had done 'a fantastic job'. Now it was just a question of apprehending the 'criminals', which was a task in which the people of Tigray had a huge responsibility to help. He also met members of the Provisional Tigray Regional Administration, headed by **Mulu Nega**, which took office on Sunday.

He spoke of rehabilitation and the arrival of humanitarian support. A first emergency aid mission, a seven-lorry convoy carrying medicines and relief supplies, had arrived the day before. Telecommunications and electricity were being restored, and infrastructural repairs started.

Mulu announced a campaign to disarm the region. All arms were to be handed over to security officers; from mid-week house-to-house searches would be carried out, and anyone found in possession of firearms after 15 December 'would be held accountable by law'. Civil servants in Mekelle were ordered to return to work. Tigray would now be able to participate in next year's election, and this would mean legally recognised parties such as Arena, the Tigray Democratic Party, and the Assimba Democratic Party could participate. Members of these parties, the opposition to the TPLF in the province, are being recruited by Mulu's administration.

The government continues to insist there is no need for mediation or dialogue with the TPLF. Abiy's spokesperson, **Billene Seyoum**, dismissed a journalist's query about mediation last week with, 'Mediate what?' Military activity had ended, the 'criminal clique' had fled, a provisional

administration had been set up and a regional state council formed, she claimed. Nothing to mediate about.

Not everyone agrees. **Sudan's** Prime Minister **Abdalla Hamdok**, the chair of the regional Intergovernmental Authority on Development, flew into Addis Ababa on 13 December to make another effort on mediation, although the talks also covered border demarcation and Sudan's reoccupation of the disputed al Fashqa border area and the Grand Ethiopian Renaissance Dam (GERD).

Sudanese and Ethiopian official statements appeared to conflict. Khartoum said Abiy had agreed to an urgent meeting of IGAD leaders on Tigray, but there was no confirmation from Ethiopia. Abiy said Sudan had backed him on Tigray but Hamdok, whose visit was scheduled to last for two days, left on the day he arrived, just as Abiy flew to Mekelle. Previously, Abiy had strongly rejected any suggestion of mediation, by IGAD or anyone else, as Somalia's foreign minister found to his cost (AC Vol 61 No 24).

'DEEP ALARM'

There's been growing international frustration over the government's refusal to open up to humanitarian assistance, and over the difficulty of getting accurate information. The UN Office for the Coordination of Humanitarian Affairs (OCHA) and other agencies continue to warn of a growing humanitarian crisis, with severe shortages of vital supplies, such as food, water, fuel, cash, electricity and telecommunication services.

The figure of 63,000 people internally displaced is expected to rise. The UN refugee agency, the UNHCR, is particularly worried about the situation of the 100,000 **Eritrean** refugees in Tigray. Commissioner **Filippo Grandi** has expressed his 'deep alarm' over reports of Eritrean refugees being killed, abducted or forcibly returned to Eritrea, which would be 'a major breach of international law'. Eritrean opposition sources claim Eritrean troops who crossed the border in support of Abiy's military campaign entered the camps, attacking refugees and forcibly returning large numbers to Eritrea in trucks.

TPLF and Eritrean opposition sources claim large numbers of Eritrean troops have been involved in the conflict. At the end of last week, the **United States** State Department, presumably on the strength of US satellite intelligence, said the reports of Eritrean troops in Ethiopia were 'credible'. United Nations Secretary-General **António Guterres** has been quoted as saying that when he spoke to Abiy about the presence of Eritrean troops, Abiy told him they were only in the area 'that corresponded to the disputed territory between the two countries that, in the peace agreement, was decided to give back to Eritrea'. This suggests Abiy has allowed Eritrea to take control of Badme and the other areas awarded to Eritrea by the Boundary Commission in 2002 (AC Vol 44 No 15). There has been no word on whether Eritrea has given up the areas due to Ethiopia under the Commission's ruling.

Addis Ababa appears confident it has established control in Tigray, at least in the towns, and if so it may now allow in humanitarian aid. Although it denies any military activity is going on, there is no sign that the government has located the main TPLF leaders.

Abiy told Parliament on 7 December that the TPLF leadership, which left Mekelle before the city was captured on 28 November, was regrouping around Hagere Selaam, west of Mekelle. He claimed he and his generals had watched their movements by drone but had not attacked because they had their families with them. Since then, it seems the TPLF leadership has moved on, dodging the drones. Fear of discovery by the drones may explain the reluctance of TPLF leaders to make external contact.

ARRESTS

The government remains determined to 'continue apprehending the TPLF leaders and members'. Abiy has said that only 30 or 40 TPLF leaders are wanted, but arrest warrants have been issued against a rather larger number. Last week a further 40 warrants were issued for former members of the military or police for kidnapping Ethiopian National Defence Force members on 4 November. That was the day Tigrayan forces attempted to take over the Northern Command of the ENDF, detaining some soldiers while sending others home.

There's also growing evidence of discrimination against Tigrayans despite government denials, with many losing jobs in the police and security services and state-owned companies. Tigrayan officers and troops in peace-keeping forces have been disarmed and

detained, Tigrayan firms in Addis Ababa have closed down, journalists have been sacked, and other Tigrayans prevented

from travelling abroad. The United Nations Office on Genocide Prevention has spoken ominously of 'a dangerous

trajectory that heightens the risk of genocide, war crimes, ethnic cleansing and crimes against humanity'. ●

SOUTH AFRICA

Ace shuffles the deck again

The balance in the ANC's factional war has turned decisively in the President's favour, leaving the Secretary-General few options

President Cyril Ramaphosa has scored in the ongoing battle against the faction bent on unseating him with this week's decision by the African National Congress's Integrity Commission that party Secretary-General **Ace Magashule** must step down with immediate effect or be suspended (AC Vol 61 No 23). Magashule defiantly rebuffed the move, however, telling local online news service Scrolla.com, 'I was elected by the branches of the ANC and they're the only ones who can remove me. Those who want me to go must forget about it.' This contrasts with his earlier promise to the commission that he would never resist the decision of the National Executive Committee, even if he might not agree with it.

Magashule, who faces 21 charges of fraud connected to a dodgy 255 million rand (US\$17m) asbestos replacement project, has refused to stand aside from his key position in the party, in line with a resolution taken by the ruling ANC at its NEC meeting in August.

The decision of the Integrity Commission, which was made public for the first time, is likely to have major political repercussions. It is headed by party veteran **George Mashamba**.

Three years after his election as ANC President, Ramaphosa is delivering on his promise to adopt zero tolerance of corruption and draw a roadmap for economic recovery and is laying the foundation for ANC unity by excluding the controversial Magashule and sending a clear signal to his allies (AC Vol 61 No 21).

The Magashule camp has insisted that, as he was elected at the ANC's five-yearly conference, he can be removed only by the party branches and not by the leadership. Some of the country's most prominent lawyers supported the view that it was unconstitutional to force an official to stand aside unless they were proven guilty.

Two days after Magashule's 12 December appearance before the Integrity Commission, it declared he was harming the ANC's public reputation by not standing aside from his post until

the law had taken its course on the alleged offences (AC Vol 61 No 18).

In its report on the meeting with Magashule, the commission expressed concern that the NEC was losing credibility in the eyes of ANC members and the public for continually calling for unity while bemoaning the divisions and infighting in the organisation and the perception that it was harbouring wrong-doers in its ranks.

The ANC will now have to call an emergency meeting of its 20-strong National Working Committee or 100-strong NEC to act on the report.

In his closing address to the NEC last week, Ramaphosa said he had reaffirmed its stance on corruption at the five-yearly conference in 2017 and at subsequent meetings this year: 'There will be no dilution of the position we have taken.' He said the decisions were fundamental to the 'renewal of the organisation and to the restoration of its credibility' in the eyes of South Africans.

Ramaphosa is seen to have stamped his authority on the ANC and for the first time had the NEC firmly behind him because they had all signed up to the 'step-aside' rule.

Magashule suffered a series of defeats following his arrest last month and public opinion is not moving in his favour (AC Vol 61 No 20). Even senior ANC colleagues have begun abandoning him and his supporters look increasingly isolated.

Ramaphosa has endorsed the Commission into State Capture headed by Deputy Chief Justice **Raymond Zondo** and warned those who have been attacking the judge to lay off. While former President **Jacob Zuma** has been Zondo's major critic, Ramaphosa has maintained a more neutral stance towards the Commission over its two years of hearings. It has heard a battery of evidence implicating Magashule in facilitating kickbacks and money laundering during his time as Free State premier (AC Vol 61 No 22, box).

Last month, Zondo rejected a demand by Zuma to recuse himself as the presiding judge. Zuma had argued

via his lawyers that the probe was unconstitutional and he branded it a manipulated, irregular and unlawful process, accusing Zondo of being a 'witness and a judge' in a 'matter that involves yourself'.

Zuma refused to give evidence and walked out of the commission before the judge gave him permission to leave.

Zondo filed an urgent application with the Constitutional Court to compel Zuma to testify and if he refuses again, the next step would be his arrest for contempt. His oft-delayed fraud trial would then resume.

TARNISHED ALLY

Another setback for the Magashule/Zuma camp is a major court repudiation of the Zuma-supporting Public Protector **Busisiwe Mkhwebane**, who was appointed for the statutory period of seven years just before Zuma was 'recalled' as president by the ANC (AC Vol 55 No 11 & Vol 60 No 11).

Mkhwebane has had a series of her findings on review sharply criticised by the courts. Four of her major findings have been set aside.

Her credibility is in tatters after the Pretoria High Court found her report, calling on the President to 'discipline' cabinet minister **Pravin Gordhan** over the existence of an alleged 'rogue unit' at the national tax collector, South African Revenue Service (SARS), to be 'the product of a wholly irrational process bereft of any sound legal or factual basis'. Setting aside the judgement on 7 December, the judges said that she had approached the investigation with a preconceived notion to find against Gordhan and was determined to promote the false narrative of a 'rogue unit'.

The Public Protector is appointed by the President and has security of tenure. Mkhwebane can be removed only if parliament finds there are grounds to investigate her fitness to hold office. That process has been initiated by a panel headed by retired Constitutional Court Judge **Bess Nkabinde**.

'We increasingly appear like an organisation at war with itself,' Ramaphosa said in last week's three-day NEC meeting, in a candid moment clearly intended to coax warring factions to unite behind a set of values which represent the culture and values of the movement.

Ramaphosa has worked patiently to win over his colleagues in the ANC executive, whose views of him ranged

ROUNDING UP THE CROOKS

South Africa's criminal justice system has unravelled massive corruption and looting of state funds since **Cyril Ramaphosa** efforts to curb graft after he was elected ANC President in December 2017 and President of the country in February 2018.

Dec 2017: ANC's 54th conference resolves to take steps to end corruption and rebuild the credibility of the party.

Jan 2018: The Commission of Inquiry into State Capture, headed by deputy Chief Justice **Raymond Zondo**, is established (AC Vol 59 No 4). Eskom former chief financial officer **Anoj Singh** resigns.

Feb 2018: Ramaphosa drops or demotes eight cabinet ministers tainted by corruption allegations from the Zuma era. Acting CEO of power utility Eskom, **Matshela Koko**, resigns (AC Vol 61 No 17).

Apr 2018: Eskom starts legal proceedings to get back almost R1.6 billion allegedly unlawfully paid to consultants.

Aug 2018: The Zondo Commission of Inquiry begins its hearings. The Constitutional Court rules that the 2017 appointment of **Jacob Zuma** ally **Shaun Abrahams** as National Prosecuting Authority (NPA) director was illegal.

Nov 2018: Head of the SA Revenue Service **Tom Moyane** is fired.

Dec 2018: **Shamila Batohi** appointed national director the NPA.

Oct 2018: Judicial commission appointed to investigate corruption at R1.8trn Public Investment Commission asset manager. Chief executive **Dan Matjila** quits a month later (AC Vol 59 No 24).

Jan 2019: Chinese rail company CRRC E-Loco Supply repays R618 million to state-owned port and freight rail operator Transnet.

Feb 2019: Batohi starts work at the NPA (AC Vol 60 No 3). Ramaphosa appoints Special Tribunal (ST) to fast-track graft investigations by the NPA's Special Investigating Unit (SIU).

Nov 2019: Asset Forfeiture Unit (AFU), another NPA division, has so far recovered R11.8-bn in looted state funds.

Feb 2020: SIU secures a high court order setting aside a contract worth R3.7bn between the formerly Gupta-owned mining group Tegeta and Eskom.

May 2020: Former chair of bankrupt national carrier South African Airways, **Dudu Myeni**, declared a delinquent director.

Jun 2020: Eight arrested and charged in connection with looting of VBS Mutual bank (AC Vol 61 No 14).

Jul 2020: Ramaphosa approves a crucial regulatory change which enables the NPA to use evidence from the Zondo commission for its corruption prosecutions. The corruption trial of Zuma subjected to serial delays and obstruction. He refuses to testify at the Zondo Commission. Eskom cancels a contract to buy R14bn (\$826m) worth of fuel oil from Econ Oil after finding its fees had been inflated.

Aug 2020: Ramaphosa insists ANC members charged or being investigated for corruption must step aside from their leadership roles in party and public life. Eskom and SIU initiate a lawsuit to recoup at least R3.8bn from former directors, executives, contractors and consultants associated with the Guptas (AC Vol 61 No 17). The AFU seizes bank account with R700,000 'diverted' from Covid-related pay-outs meant for the unemployed. Other schemes uncovered involve companies hastily set up by politically connected individuals to benefit from the provision of Covid-related personal protection equipment.

Sep-Nov 2020: More than 100 people arrested on charges relating to money laundering, bribery, corruption and looting of state-owned enterprises (AC Vol 61 No 18).

Oct 2020: SIU has R14.7bn worth of cases ready for submission to the ST.

Nov 2020: Arrest warrant is served on ANC Secretary-General **Ace Magashule** (AC Vol 61 No 23). Zuma calls for Zondo to be recused. Zondo refuses. Zuma walks out of the commission without permission.

Dec 2020: Zondo files urgent application with the Constitutional Court to compel Zuma to testify. Ramaphosa wins support of ANC's 100-strong executive committee to endorse August 'step-aside' ruling on party officials found guilty or charged with corruption. Magashule appears before the ANC's Integrity Commission to explain his defiance of party policy. ●

from ambivalent to hostile after his surprise election in December 2017, while implementing severe discipline for corrupt party officials.

In a closing address to the NEC meeting, Ramaphosa defined more clearly than before the terms on which

that unity would be built.

He appealed to the ANC to respect its own decisions and exercise 'revolutionary political consciousness'. While he chided them for infighting he expressed confidence that the organisation would emerge stronger

and more united.

The tide appears to have turned in the fight against corruption and party unity is a work in progress. But the jury is still out on the long haul of reviving a severely battered economy in the midst of a major pandemic. ●

SUDAN

Washington seals the deal

Splits over US pressure to normalise ties with Israel point to a fall-out between civilian politicians and the generals

The removal of Sudan from the United States's list of state sponsors of terrorism, confirmed on 14 December, could prove a lifeline to a country in the grip of severe economic crisis, but talks about normalising ties with Israel have underscored tense

relations between civilians and the military (AC Vol 61 No 17).

The US listed Sudan as a state sponsor of terror after the first attack on the World Trade Centre in 1993, saying that *Al Qaida*, *Hamas* and *Hezbollah* had all set up base in the country under

former President **Omer el Beshir** (AC Vol 61 No 4). The designation stopped Sudan getting debt relief or access to the global banking system. US Treasury Secretary **Steven Mnuchin** has now said the US will support relief for Sudan's US\$60 billion in foreign debt and help it access international loans.

Immediately afterwards, the International Monetary Fund (IMF) said it was ready to help Sudan get debt relief under the Heavily Indebted Poor Countries initiative, although Sudan must first clear its arrears with the IMF, the World Bank and the African Development Bank. Sudan has one of the highest inflation rates in the world,

THE PLAYERS AT THE JUBA PEACE TALKS

The Sudan Revolutionary Front: The SRF is constituted of armed rebels and opposition groups who signed the Juba Peace Agreement with the ruling Sovereignty Council. Notable among those groups are: the Justice and Equality Movement; the Sudan People's Liberation Movement-North faction led by **Malik Agar** (SPLM-N Agar faction); the Sudan Liberation Movement-Transition Council; and the United Popular Front Coalition of eastern Sudanese factions. They represent people from all of Sudan's regions affected by years of civil war, except for the Nuba mountains (AC Vol 61 No 16).

The SRF-Minnawi faction: This faction appeared after a dispute over the leadership of the SRF in May 2020, and is headed by **Minni Minnawi**, leader of the Darfur-based Sudan Liberation Movement, which claims to represent certain Zaghawa clans (AC Vol 60 No 10). The group includes the New Sudanese Justice and Equality Movement faction led by **Mansour Arbab**, and the Justice and Equality Movement faction led by **Bakheet Abdelkarim**.

Sudan People's Liberation Movement-North: It is claimed that **Abdel Aziz el Hilu** has 10,000-plus soldiers under his command, allowing him to set preconditions for any peace talks – namely, that Sudan becomes a secular state and that the people of the Nuba mountains are allowed to vote for self-determination, after which the region could well become part of South Sudan (AC Vol 61 No 3).

Sudan Liberation Army: SLA leader **Abdel Wahid al Nur**, based in Darfur's Jebel Marra, continues to be known as 'Dr No' for his refusal to take part in the peace talks, despite being encouraged by **France**. He believes the political system set up under the July 2019 transition agreement is nothing less than a continuation of the regime of ousted President **Omer el Beshir**. Nur has set preconditions for negotiations that the military seem unlikely to meet, including for Beshir and his one-time interior minister **Abdel Rahim Mohamed Hussein** to be handed over to the International Criminal Court. Another precondition of disarming the Rapid Support Forces (RSF), headed by **Mohamed Hamdan Dagalo 'Hemeti'**, is even more unacceptable to the military. Nur plans to launch his own peace conference to address the root causes of conflicts in Sudan.

Mohamed Hamdan Dagalo 'Hemeti': The deputy head of Sudan's Sovereignty Council, and commander of the RSF militia, with its estimated 40,000 fighters, Hemeti hopes to use the peace talks to revamp his image for his post-transition presidential ambitions. He faces allegations over involvement in atrocities in Darfur as a key *Janjaweed* leader in 2003-04, and that he ordered the massacre of scores of demonstrators in Khartoum in June 2019 (AC Vol 61 No 11).

Lieutenant General Abdel Fattah Burhan: The head of the Sovereignty Council and commander of the Sudan Armed Forces, he entrusts Hemeti and Lt Gen **Shamsudeen al Kabbashi** with representing the interests of the military in the peace talks, and with burnishing the military's credentials as peacemakers.

The Sudan Professionals' Association: A coalition of trade unions that was the major driving force with the Forces of Freedom and Change (FFC), eventually bringing down the Beshir regime. The SPA was subsequently taken over by the Sudanese Communist Party after internal elections, and split from the FFC. The SPA has signed a Declaration of Principles with the Hilu faction of the SPLM, with which it shares the goal of a secular state.

The United Arab Emirates and Saudi Arabia: The main backers of Burhan and Hemeti, because of their supply of fighters into Yemen to combat Iran-backed Houthi forces, and into **Libya** to support General **Khalifa Haftar**. Both countries have backed the peace talks, hoping they will boost the credibility of Burhan and Hemeti. ●

at 230% in October, as the country runs up a deficit subsidising basic necessities, including bread and fuel.

US President **Donald Trump** had announced on 19 October that Sudan would be removed as a state sponsor of terrorism, but this only became official on 14 December, as no objections had been received from Congress during the mandatory 45-day notice period. Trump's decision paved the way for a 23 October joint statement between the US, Sudan and Israel, announcing the 'normalisation of relations between Sudan and Israel' and that the two states would commence economic relations. The agreement was heralded as a major breakthrough, two months after the **United Arab Emirates** and **Bahrain** themselves agreed to recognise Israel with the Abraham Accords.

The US – as well as pledging to support debt relief – also agreed to restore Sudan's sovereign immunity in US courts. Just days earlier, Sudan had agreed to pay \$335 million in compensation to victims of the 1998 *Al Qaida* bombings of the American embassies in **Kenya** and **Tanzania**. The payment was transferred on the day of

the joint statement.

Prime Minister **Abdalla Hamdok** and Lieutenant General **Abdel Fattah Burhan** – the head of the Sovereignty Council, the supreme authority running Sudan – were parties to the three-way talks with Israel and the US. But Hamdok soon back-tracked, saying normalisation with Israel had to be approved by a 300-strong legislative council, which is supposed to be formed by the end of this year. Hamdok's hesitancy illustrated how the military authorities within the Sovereignty Council are much more gung-ho on breaking Khartoum's over 50 years of hostility with Israel. Hamdok and other civilian politicians are worried about stoking anger among their supporters in the Sudanese Communist Party and from Islamist supporters of Beshir over the recognition of Israel.

MANDATES AND REMITS

It was a meeting between Burhan, who is also commander of the Sudan Armed Forces, and Israeli Prime Minister **Benjamin Netanyahu** in **Uganda** in February, arranged by the UAE, that paved the way for Sudan's purported

agreement to recognise Israel.

That meeting was one of several developments allowing Burhan and his military allies in the Sovereignty Council to overstep their mandate, as agreed with the civilian opposition coalition, the Forces of Freedom and Change (FFC), during talks over Sudan's transitional arrangements following the ousting of Beshir in April 2019. The military, which took the ministries of defence and interior, was supposed to be responsible for the peace and security of Sudan, while the government would focus on all other matters, including foreign relations.

A dispute over the remit of a new Transition Partners Council has also brought civilian-military tensions to the fore. Sudanese political figures from the government and opposition were in an uproar over secretive changes to the October Juba Peace Agreement between the government and the Sudan Revolutionary Front (SRF). The agreement set up the TPC as an advisory body, but it emerged that the military had attempted to give it far wider powers. A copy of its mandate leaked to the Sudanese press earlier this month

showed the military added clauses that would have allowed it to take charge of the process leading to elections (AC Vol 61 No 16).

The text stipulated that the TPC would have any 'powers necessary to implement its competencies and exercise its powers' and that the creation of the body would restart the transition clock, delaying elections from 2022 until 2024. This would have allowed Burhan to continue heading the ruling Sovereignty Council until July 2023 (before making way for a civilian for the last 18 months of the transition, under the agreements with the FFC).

The revelations caused uproar in the camp of Hamdok and his FFC civilian allies, who managed to push the military to withdraw its changes, restoring the advisory status of the TPC. But Burhan's sleight of hand will not be easily forgotten. Under the military's wording, the TPC could have ended up overshadowing both the government and the planned legislative council, which is to write Sudan's new constitution. It would also have made it impossible for Hamdok to see through a transition towards credible, multi-party democracy. The military was supported in its attempt to subvert the transition by rebel leader **Minni Minnawi**, whose Sudan Liberation Movement is one of the three main rebel groups in the SRF.

The TPC is to be headed by Burhan and will have 29 seats: six for the military; seven for the SRF; 13 for the FFC; two reserved for the eastern Sudan conference; and one for the prime minister. The TPC's critics still fear a stitch-up between the military and the SRF to control the transition.

While military and civilian

politicians have been disputing the role of the TPC, the Sovereignty Council and the government have been finalising other aspects of the Juba peace talks with the SRF, based around the September 2019 Juba Declaration of Principles and the peace agreement itself.

Those talks have been divided along five regional tracks, with rebel representatives for each area. Both sides have reached an agreement on a range of issues, including: the devolution of powers to the states; the integration of SRF fighters into the army, and of the SRF into the transitional institutions; the sharing of wealth; reparations for those affected by civil conflict; and the restructuring of state institutions based on merit.

REFUSAL TO SIGN

The European Union, the United Nations, **Qatar**, **Egypt** and the African Union were all guarantors of the peace agreement, but – beyond the problems with the TPC – it has also suffered from the refusal by two important rebel groups to sign up to it: the Sudan People's Liberation Movement-North led by **Abdel Aziz el Hilu** and based in the Nuba mountains; and the Sudan Liberation Army, in the Jebel Marra in Darfur and headed by **Abdel Wahid al Nur** (see box).

Hamdok and Hilu signed a 3 September Declaration of Principles in Addis Ababa, but this caused further frictions, with Sovereignty Council member Lt Gen **Shamsudeen al Kabbashi** saying Hamdok shouldn't have stuck his nose into the peace talks. Hamdok and Hilu's agreement created workshops to address Hilu's

precondition for the separation of state and religion. The outcomes of these workshops have to be endorsed by the Sovereignty Council, after which talks on ending fighting in the Nuba mountains will restart.

The military and the allied Rapid Support Forces, headed by Sovereignty Council number two **Mohamed Hamdan Dagalo 'Hemeti'**, have benefited from the support of the UAE, Egypt and **Saudi Arabia**, even if these countries feel obliged to allow for some involvement of civilians in the running of Sudan. All three countries are keen to prevent political Islam reasserting itself in Sudan, now that Beshir's Islamist National Congress Party is no longer in power.

The UAE and Egypt also played a role in backing the talks with the SRF. SRF leaders visited Egypt to brief both Egyptian and Emirati officials on the progress of the Juba talks in August, followed by a November trip to Abu Dhabi to discuss implementation of the peace agreement.

Both the UAE and Saudi Arabia support the military in Sudan, as represented by Burhan and Hemeti, because of the involvement of Sudanese regular soldiers and the RSF in **Yemen** since 2017. Neither country wants to commit its own soldiers to fight in Yemen against Houthi rebels, sponsored by their regional rival **Iran**. The RSF is also in eastern **Libya**, supporting General **Khalifa Haftar**, backed by the UAE and less actively by Egypt. Beyond its opposition to political Islam, Egypt has another reason to court Sudan's military and Hemeti – the need for support in its dispute with **Ethiopia** over the Grand Ethiopian Renaissance Dam (AC Vol 61 No 6). ●

NIGERIA

Unbalancing the books

Promises of grand economic growth have been torpedoed by the Covid-19 pandemic and crashing oil prices

This time last year President **Muhammadu Buhari** and his numerous economic policymakers were optimistic that 2020 could see growth acceleration, job creation, significant infrastructure investments and progress on major oil projects. Yet, as the year draws to a close, Nigeria faces an uncomfortable reality.

This year's twin Covid-19 and oil price crises have severely impacted Nigeria's economic standing on a number of measures. The economy

could contract by around 4% in 2020, equivalent to a more than 6% drop in per-capita incomes that could take years to claw back, even before considering the disproportionate impact of the crisis on Nigeria's poor and unemployment that has hit 27%.

Unrealistic hopes among government officials that Nigeria could recover from a -6.1% year-on-year contraction in the second quarter have been dashed by national statistics bureau figures confirming Nigeria's official entry into

'recession', as the economy contracted by -3.6% during the third quarter.

Real oil GDP for the quarter was a massive 13.9% lower than last year as Nigeria's oil production has been cut by approximately 400,000 barrels a day amid the country's reluctant compliance with 'OPEC+' output limits to counter this year's crash in oil prices. Other, non-oil, sectors like transport and trade have registered even greater declines. These severe contractions have been partially balanced by increased optimism in Nigeria's manufacturing sector, modest agricultural growth, and relatively strong performances in sectors potentially benefiting from the coronavirus disruption such as telecommunications.

Yet Nigeria's downcast third quarter news does not incorporate the significant disruption and cost to the economy of the recent #EndSars protests which

MAKING A DEBT DRAMA OUT OF A CRISIS

Like other sub-Saharan African oil producers predicted by the International Monetary Fund to see their debt service-to-revenues ratios more than double this year to well over 70% on average, Nigeria has seen its finances adversely impacted by the coronavirus-driven hit to 2020 economic growth. Its decline in revenues, by at least US\$10 billion during 2020 according to the World Bank, has been largely driven by constrained crude oil production volumes and prices.

Figures released by Finance Minister **Zainab Ahmed** suggest that between January and August federally retained oil revenues available for the 2020 federal budget were greater than the pro-rata budget. Yet this is a revised budget agreed after the scale of the coronavirus/oil price crisis became apparent, and thus incorporating a revised \$28/barrel oil price benchmark less than half the previously contemplated \$57/barrel benchmark and therefore lowering original revenue targets.

Moreover, lower than expected non-oil revenues – including company taxes, VAT and customs revenues – further drag down the overall January-August revenue take to approximately 30% below even these reduced targets. That will inevitably drive up the 2020 deficit, which the IMF predicts at -6.7% of GDP, though this represents only a modest percentage increase on 2019 compared to deficit increases in the major Western economies with much greater fiscal ammunition to respond to the crisis.

Ratings agency Fitch has seen fit to upgrade its Nigeria 'B' ratings outlook from negative to stable, as oil prices, volatility and financing conditions recover partially from the Q2 trough. Yet the 2021 outlook for both federal and state governments' finances remains strained. State governors, among whom the ruling All Progressives Congress (APC) maintains a slight numerical advantage over the People's Democratic Party, fear constrained 'internally-generated revenues' and diminished allocations from the national revenues pot.

The federal government now anticipates that 2021 federal budget expenditures will exceed projected 2021 revenues of N7.9 trillion (\$20.8bn) by approximately N5.2trn (\$13.6bn) or 40% of the proposed N13.08trn (\$34.4bn), \$40/barrel oil benchmark, budget. Meanwhile, debt service is expected to account for around one quarter of the budget, with recurrent non-debt spending rising significantly compared to 2020 and projected to reach 43% of budget.

Past experience suggests higher than projected deficits both this year and next, capital expenditures lower than projected, and yet more controversial borrowing. These are set to include National Assembly-approved loans from **China** to fund major infrastructure projects, \$1.5bn just approved by a World Bank calling for foreign exchange market reform, and a recently contemplated \$1.2bn agricultural loan from **Brazil**.

Moreover, as yields on Nigeria's outstanding Eurobonds moderate and economists dismiss comparisons with recently defaulting **Zambia**, the federal government appears to be considering a return to Eurobond financing next year after Nigeria's scheduled repayment of \$500 million in maturing Eurobonds in January (AC Vol 61 No 24).

The recent suggestion by Ahmed, that Nigeria is open to G20-backed debt relief, should be interpreted with caution, particularly given persisting concerns among policymakers, in Nigeria and elsewhere, about the impact of such initiatives on sovereigns' relationship with commercial lenders. ●

officials and industry groups estimate could have cost Nigeria 1 trillion naira or more. The protests do not bode well for the fourth quarter and overall 2020 figures, and are a reminder of the potential economic damage of Nigeria's numerous security challenges, whether in the north, the Middle Belt or the Niger Delta. The latter, as militant groups again threaten attacks and Eni declares force majeure following recent pipeline explosions at subsidiary Nigerian Agip and Shell Petroleum Development Company (SPDC) oil fields in Bayelsa State, remains a downside risk.

Just as concerning to Buhari,

Finance Minister **Zainab Ahmed** and central bank (CBN) governor **Godwin Emefiele** are Nigeria's struggles with inflation, the Naira and foreign exchange reserves, revenues and the deficit, and the inevitable rise in borrowing to fund the proposed N13.08 trillion (US\$34.4 billion) 2021 federal budget of 'economic recovery and resilience'.

After cutting the headline interest rate from 12.5% to 11.5% at the September meeting of its monetary policy committee, in a move designed to boost growth with little cost to already double-digit inflation, the

CBN kept rates unchanged on 24 November without changing other monetary policy parameters. Yet there is little reassurance in its view that CPI inflation of over 14%, increasing for the 14th successive month and partially driven by food price inflation exceeding 17%, remains caused by structural factors, temporary food shortages, and reversing-in-time coronavirus-driven transport and supply disruptions.

Some states, including in the north, have been disproportionately hit, while all pockets are likely to be made lighter by rising fuel and power prices that are gradually being pushed through despite opposition from Nigeria's unions, the opposition People's Democratic Party (PDP) and consumers (AC Vol 61 No 19).

However, power prices, after a delay to the scheduled 1 September hike in tariffs, are now being increased by less than anticipated following tense negotiations between the federal government and the unions. Meanwhile, the federal government shows signs of caving in to union pressure on fuel prices.

Nigeria's numerous power distribution companies, which in theory should benefit from such tariff increases, remain under financial pressure, facing large debts to entities including the much-criticised Transmission Company of Nigeria (TCN), which is again struggling with national power grid disruptions, resulting in power outages in several states.

Likewise, downward pressure persists on the naira, with rates on the parallel market remaining significantly worse than N400/US\$. Official foreign exchange reserves have now declined to under \$35bn, around 30% lower than in July 2019.

The CBN still has work to do in moving the foreign exchange market towards 'unification' as the International Monetary Fund (IMF), to which Nigeria now owes \$3.4bn in emergency financing, and the World Bank advise. Moreover, the various foreign exchange restrictions backed by both Emefiele and Buhari, justified partly as measures to protect reserves and output, are insufficient to prevent the decline but are unlikely to be reversed in the present economic environment.

The CBN appears increasingly wary of the risk of the coronavirus/oil price disruption to Nigeria's banking sector. Though official banking sector non-performing loan (NPL) ratios remain favourable if still above the CBN's 5% target, CBN stress-tests suggest banks' capital could be significantly impacted should low oil prices and economic contraction persist, even if such developments could be partially

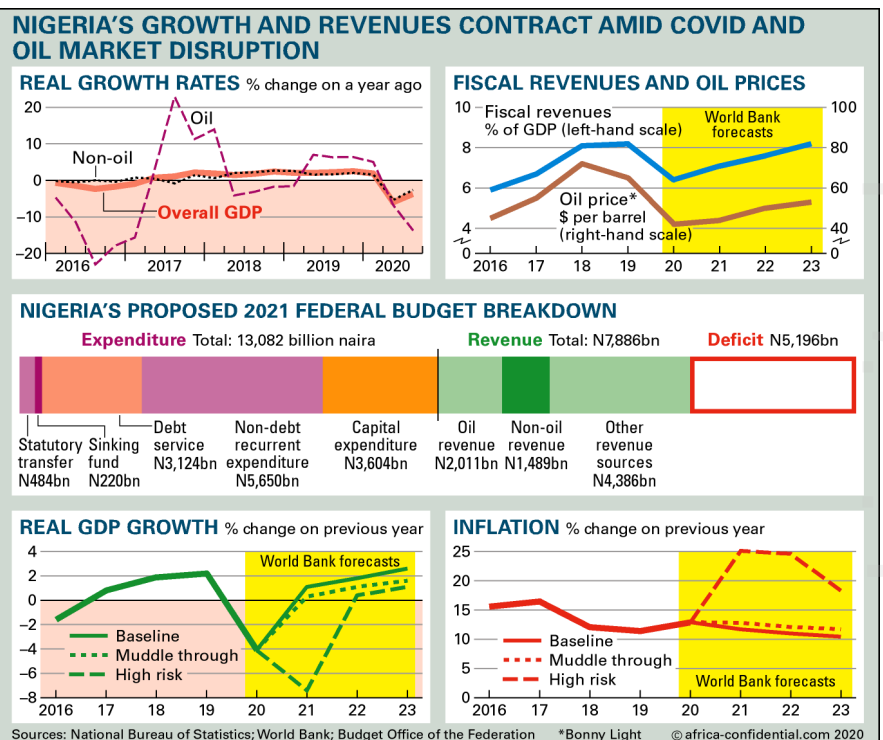
alleviated by targeted CBN policy.

The major hit to oil prices and revenues continues to be reflected in the financial performance of the oil companies, both the major international producers and domestic Nigerian companies more vulnerable to oil market downturn.

SLOW LAW

Uncertainty still persists over the timeframe for passage, let alone implementation, of the perennially delayed Petroleum Industry Bill that could boost investment in the oil sector and in gas (AC Vol 61 No 20). Optimists' belief that the bill could become law early next year contrast with the more sceptical view that the PIB's passage could take six months or potentially longer, even with a National Assembly on relatively good terms with the president, who refused to sign into law the then National Assembly-approved governance portion of the PIB back in 2018. The odds are that 2021 will see the passage of a bill now containing fiscal terms more palatable to the oil companies, though the anticipated Nigerian National Petroleum Corporation (NNPC) shake-up could be some way off.

There is some hope in the controversial Process & Industrial Development gas contract affair where the London High Court hearing the federal government's appeal against the \$9bn arbitration judgement has ruled that Nigeria has *prima facie* evidence to proceed with its case (AC Vol 61 No 10). The court has also ruled that trial can proceed in the federal government's \$1.7bn lawsuit against JP Morgan for its allegedly improper facilitation of controversial payments in connection



with Shell and Eni's 2011 acquisition of the OPL 245 offshore oilfield, although proceedings are unlikely to commence before late-2021.

Yet these developments remain secondary to the overall coherence of Nigeria's policy platform, both in the longer term and in response to the Covid-19 crisis. Vice President **Yemi Osinbajo** remains publicly optimistic that the Nigeria Economic Sustainability Plan (NESP) he champions will speed Nigeria's return from recession to growth.

This optimism is perhaps boosted by the potential impact on the global and domestic economy of a Covid-19 vaccine.

The overall outlook for 2021

remains subject to developments both within and outside Nigeria's control. The World Bank, in its latest assessment, now suggests that even if oil prices remain over \$40/barrel and Nigeria 'adequately manages' the virus, real GDP growth will only reach 0.3% in 2021 if policymakers fail to implement much-needed economic reforms.

Yet the Bank's worst-case scenario – that oil prices will fall again and stay below \$30/barrel, an upsurge in coronavirus outbreaks occurs both globally and within Nigeria, and that Nigeria's economy therefore contracts by worse-than 7% while inflation spikes over 20% – is unlikely to occur. ●

GUINEA Condé's iron resolve

Having won a controversial third term, President Alpha Condé is eyeing growing mineral riches

The long-delayed development of Guinea's headline-grabbing Simandou iron ore project has once again climbed to the top of President **Alpha Condé's** agenda, as he settles into a much-disputed third term in office.

Condé was re-elected as Guinea's head of state in October after engineering the constitutional change needed to allow him to run for a third term in the face of stiff protests from

opposition parties and unrest in the capital Conakry – where at least 50 people have been killed and 200 injured in protests since the beginning of 2020 (AC Vol 61 No 22).

Condé's fight with mining billionaire **Beny Steinmetz** over Simandou, considered to be the world's largest undeveloped iron ore deposit, was a *cause célèbre* for the President for most of his first two terms in office. In 2014, the northern half of

the concession was stripped from VBG – a joint venture between Steinmetz's BSGR and **Brazilian** mining giant Vale – after a Guinean inquiry found that BSGR had paid bribes. Steinmetz is due to face trial in Geneva in January on bribery and money-laundering charges (AC Vol 61 No 12).

FORTUNES

With a new cast of players and shifting international political goal posts, the mine's fortunes look ready to set the tone of Condé's third term.

Condé's new mandate comes with the backing of **Russia and China**, both of which have large stakes in Guinea's mineral wealth, which counts for a third of the country's revenues.

Chinese President **Xi Jinping** sent a congratulatory message to Condé on his re-election, with senior Chinese

government officials offering support to the 82-year-old leader after reports of alleged election fraud emerged. 'China and Guinea are good friends,' Chinese foreign ministry spokesperson **Wang Wenbin** said in November.

China has significant mineral interests in Guinea, with Aluminum Corp of China, or Chalco, owning a stake in the major bauxite mine of Boffa, where production started in January and is set to reach 12 million tonnes. Chalco is also part-owner of the southern half of the Simandou deposit with Rio Tinto, but a newer and more active player is the China-backed SMB-Winning consortium, which is developing the two northern blocks of Simandou that were taken back from BSGR. The consortium is 22.5% owned by Chinese aluminium manufacturer Shandong Weiqiao, alongside **Singapore's** Winning Shipping and Guinea's United Mining Supply, with the Guinean government having a 10% stake (AC Vol 60 No 24).

SMB-Winning, China's biggest bauxite importer, received approval for the development of a 650-kilometre rail project to transport ore from Simandou to Guinea's Atlantic coast earlier this year. This huge infrastructure project has been the major hurdle in the development of the concession. Costs for the construction of a multi-use railway traversing hundreds of kilometres of virgin rainforest and a deepwater port have been estimated to be upwards of US\$15 billion. SMB-Winning is looking to Rio Tinto and Chalco to share the costs and aims to start exporting from Simandou by 2025.

Rio Tinto has said that it will join in on the development of the Simandou infrastructure project, but will be concerned at not being able

to control freight prices and access to rail – major considerations in the overall profitability of any ore produced from its concession. Rio Tinto has been reluctant to restart work at Simandou, as its development could threaten profits at its Pilbara mines in western **Australia**, at a time when China, its biggest customer, is looking to reduce its reliance on Australian iron exports.

Simandou has been dubbed as the 'Pilbara Killer' – if large volumes of Guinea's high-grade iron ore were to hit the market, they would push down iron ore prices considerably, which have crept back up to \$100 per tonne after slumping in 2014.

Despite the technical and commercial challenges surrounding the development of Simandou, Condé continues to champion the project, promising a greater distribution of mineral wealth among the Guinean people.

RIO TAINTED

Rio Tinto is also under scrutiny from international regulators over its business practices in Guinea. In 2017, Rio Tinto alerted the **United States** Department of Justice, the **United Kingdom's** Serious Fraud Office and the Australian Federal Police about a \$10.5 million payment to **François Polge de Combret**, a former top **French** banker, for his work on the Simandou project in 2011.

Emails from 2011 were posted online showing senior Rio executives, including former diamonds and minerals chief **Alan Davies**, discussing the payment to de Combret and his 'closeness' to Condé. Rio later fired two senior executives, including Davies, saying they had failed to maintain the company's standards (AC Vol 56 No 5).

Rio Tinto is now in talks with the SFO over a deal that could see the company avoid prosecution by paying a fine and cooperating with other prosecutions.

Steinmetz has been hitting out against his indictment in **Switzerland**, with his Swiss lawyer **Marc Bonnant** saying the charges have 'no basis in fact or in law'. Swiss prosecutors accuse Steinmetz of having laundered millions of euros in Simandou bribe money through a series of bank accounts, including one controlled by a former business partner of Steinmetz, **Ofer Kerzner**. Steinmetz also stands accused of making up a fake contract for the sale of land in **Romania**, to justify the transfers to Kerzner.

Steinmetz's public relations received a boost in February 2019, when Condé performed an about-turn, agreeing to cease involvement in the Swiss criminal prosecution, in a kiss-and-make-up deal personally brokered by former French President **Nicolas Sarkozy** (AC Vol 60 No 5). Guinea also promised not to make any 'disparaging remarks' against Steinmetz or BSGR for ten years.

But so far luck has not favoured Steinmetz in his legal proceedings. In April 2019, a London arbitration court found against BSGR in a claim brought by Vale, over whether BSGR had bribed **Mamadie Touré Conté** the fourth wife of the late dictator **Lansana Conté**. The arbitration judges said BSGR had committed bribery by offering Touré shares in return for her 'assistance in influencing' Conté, and ordered the company to pay Vale \$1.25bn – an award that Vale is seeking to enforce through courts in New York and London. The judges said they could not keep their 'eyes shut when faced with allegations of corruption'. ●

CONGO-KINSHASA

President nearer to power

Parliamentary victory for Tshisekedi encourages him to press ahead in his bid to wrest the state from former president Kabila

Former president **Joseph Kabila's** political coalition, the *Front Commun pour le Congo* (FCC), which ordinarily has a comfortable majority in the National Assembly, scored a spectacular own goal on 10 December. A day after dramatic scenes took place inside the *Palais du Peuple*, as FCC supporters clashed with those backing President **Félix Tshisekedi** until the police intervened, enough FCC

Assembly deputies switched sides and voted for a petition brought by President Tshisekedi's *Union pour la Démocratie et le Progrès Social* (UDPS) calling for the resignation of the FCC's **Jeanine Mabunda** from the post of National Assembly president was successful, securing 281 votes in the 500 deputy chamber (AC Vol 61 No 22).

The vote is a major victory for Tshisekedi and a defeat for Kabila.

It gives the impression that the former president's elaborately constructed strategy to retain significant political power and protect himself from prosecution is beginning to unravel (AC Vol 61 No 24).

Mabunda had been imposed on the FCC caucus by Kabila with no consultation, and was never a popular choice, particularly with the coalition's many smaller parties (AC Vol 61 No 5). Mabunda has always been conscientious in carrying out Kabila's instructions, but never cultivated relations with the FCC caucus and developed instead a reputation for arrogance, with the result that she found herself with insufficient allies when the petitioners' vote was finally held. Mabunda's plight mirrored that of **Emmanuel Shadary**, Kabila's choice of presidential candidate for the

2018 elections, who was loathed by multiple senior FCC leaders, including most provincial governors, who pointedly failed to campaign for him, leaving Shadary to pick up only a dismal share of the vote (AC Vol 60 No 2). Another factor influencing the parliamentary vote against Mabunda was the inducements discreetly offered to FCC deputies by the President's camp, said by sources mostly to range from cash to promises of political office once Tshisekedi's capture of the state is complete.

NEXT STEPS

Tshisekedi and the UDPS are jubilant at developments, and impatient to move on to the next steps in their strategy. The President's intention is shortly to name an *'informateur'*, whose task will be to try to identify a new working majority in the National Assembly that excludes the FCC. Tshisekedi initially had former Katangan governor **Moïse Katumbi** in mind for the role, say sources, but is now less enthusiastic after Katumbi apparently requested terms and conditions the President was not prepared to live with. Katumbi denies he was ever asked to take on the role. The FCC is arguing that Tshisekedi cannot appoint an *informateur* until the Prime Minister, **Sylvestre Ilunga Ilukamba**, has resigned and Kabila has instructed Ilunga not to do so (AC Vol 61 No 15). Tshisekedi is unlikely to pay much attention to this, and will probably just name an *informateur* anyway, at which point the key issue will be whether the *informateur* can succeed in prising enough FCC member parties and their deputies away from the coalition to give Tshisekedi his new majority.

Addressing both the Assembly and Senate in a special joint sitting on 14 December, Tshisekedi said he thought

he had sufficient support among them to secure this majority. Already the *Bloc uni pour la renaissance et l'émergence du Congo* (BUREC), headed by Industry Minister and former North Kivu governor **Julien Paluku**, has committed itself to joining Tshisekedi's 'sacred union' coalition. BUREC is the senior member of the *Alliance des Acteurs pour la Bonne gouvernance du Congo* (AABC), a group of 18 National Assembly deputies that is currently a member of the FCC.

The other key challenge in the National Assembly, both for Tshisekedi and Kabila, is to secure the election of their slate of candidates to replace Mabunda and her team. This will be an expensive exercise for both of them, but will be welcomed by Assembly deputies now set to receive bountiful 'Christmas bonuses' before they adjourn for the holidays to persuade them to vote the right way.

Beyond the National Assembly, Tshisekedi's next target is the Senate, and specifically its president, the arch Kabila loyalist **Alexis Thambwe Mwamba**. The President's team may find it more difficult to organise a petition to remove Thambwe from office than they did for Mabunda, but they are clearly determined to use the momentum generated by their victory in the National Assembly to press ahead and seek to capture the Senate Presidency too.

A rumour circulated around Kinshasa in the days preceding the Assembly vote – though denied by the Presidency – that the security forces had prevented Kabila from flying to Lubumbashi to meet FCC activists there. The rumour carried strong resonance in the Kinshasa streets as physical proof that the balance of power was shifting away from Kabila

and towards Tshisekedi. As if to prove the rumour wrong, Kabila travelled to Kolwezi in Lualaba Province the day after the Assembly vote to meet with governor **Richard Muyej**, who is close to the former president and was once his Interior Minister, and to deliver a short and anodyne public address, thanking the city residents for their warm reception.

Behind the scenes, Kabila has been sending trusted aides to a selection of regional governments, including **South Africa's**, sounding out whether they might consider intervening in some way to prevent what the aides argue is Tshisekedi reneging on his agreement with Kabila, and the threat they say the new president poses to Congo-Kinshasa's constitutional order. Discouragingly for Kabila, the answer appears to be 'no'.

But all is not yet lost for the former president. If the FCC succeeds in securing its slate of candidates for the National Assembly president's office, fends off the anticipated procedural assault on Thambwe in the Senate, and, most importantly, manages to prevent Tshisekedi's *informateur* from forming a new majority in the Assembly, then what the FCC is terming the President's parliamentary coup will lose momentum.

The tempo of political developments in the country has quickened, and whether or not all this comes to pass will be known within a week or so. Beyond that, Tshisekedi has made it clear he intends to dissolve the National Assembly and call fresh elections if he cannot get his 'sacred union', despite the misgivings of regional states and donors. But that will be a drama for another day. ●

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ZIMBABWE

The state's parallel economy

The finance minister forecasts a turnaround but the central bank's illicit borrowing could trigger another monetary meltdown

Despite the pandemic and global recession, Finance Minister **Mthuli Ncube** is predicting a strong economic bounce-back next year – but he is silent about a phenomenal borrowing spree by the central bank, the Reserve Bank of Zimbabwe (RBZ) which has seen its foreign debt nearly double within a year.

Respected Movement for Democratic Change (MDC) politician and former finance minister in the coalition government **Tendai Biti** has called the RBZ 'the most dangerous organ in Zimbabwe', operating illegally and destabilising the national economy. He says the RBZ's opaque foreign borrowing policy, which should be approved by parliament, according to the constitution, is spiralling out of control. Much of this borrowing is funding 'rigged foreign currency auctions' and numerous 'illicit dealings', Biti says (AC Vol 61 No 17).

One of the most important sources of loans, whose terms and conditions are kept secret, for the RBZ has been the African Export-Import Bank (Afreximbank), which is jointly owned by member states of the African Development Bank, including Zimbabwe.

Ncube's budget for 2021 is based on economic growth of at least 7.4%, rebounding after a 4.1% fall this year (AC Vol 61 No 21). Ncube has also trumpeted a slowing in the inflation rate since August, with the November annual rate at 402%, compared with a high of 838% in July.

And the Zimbabwe dollar, Ncube insists, has been stabilising against the US dollar since the RBZ adopted a Dutch auction system for foreign currency sales in June. The value of the local currency crashed initially but has settled at around 80 Zimbabwean dollars to the US dollar over the last quarter, compared to the previous fixed rate of US\$1=Z\$25.

Finance Secretary **George Guvamatanga** told companies last month that the government was totally committed to the Zimbabwe dollar, and wouldn't revert to using the US dollar or the **South African** rand as default currencies again. Guvamatanga is a close ally of **Kudakwashe Tagwirei**, owner of the Sakunda oil trading and

agribusiness conglomerates and with a large stake in Landela mining. These companies have benefited from access to US dollars at preferential exchange rates; that is well below the official or auction rates.

Many bankers argue that RBZ Governor **John Mangudya** has been 'captured' by political and commercial vested interests, affecting the credibility of the bank's monetary and exchange rate policy (AC Vol 61 No 9).

Like Ncube, Mangudya is an irrepressible optimist; he confidently forecasts that inflation will fall to 9% by the end of next year. That looks remote if the government continues to print money without the foreign reserves to back it up.

HOARDERS

Companies and wealthy individuals continue to hoard US dollars. Alongside official data showing slowing inflation lies the reality of widespread shortages of basic goods. Analysts at South Africa's NKC African Economics question the accuracy of official data on prices. In turn, this raises doubts about the relevance of policies based on these statistics, and on the Treasury's sunnier forecasts.

The economy is still battered by the worst drought in over 20 years and strategic grain reserves are running low (AC Vol 60 No 23). Maize production this year fell to 1.1 million tonnes, down from 2.4m in 2019, which was already far short of the target.

Despite government claims of great leaps forward in agricultural production, the UN's World Food Programme estimates that about 8.6 million people, about 60% of the population, will face chronic shortages of food over the next year, adding to the damage caused by the economic recession and the coronavirus pandemic. And continuing shortages of forex will limit the government's ability to import grain and other essentials.

Much analysis of the economy is based on anecdotal evidence and informed supposition, given the rapid growth of informal business. Zimbabwe may have the second biggest informal economy, as a percentage of national input, in the world after **Venezuela**,

according to figures from the World Bank and the UN.

This raises more doubt about Ncube's claims in his 2021 budget statement that the government is on course to collect Z\$173.5bn of revenue this year, or about 16.3% of gross domestic product. That, along with claimed swingeing cuts in state spending, informs his projection of a Z\$4.9bn budget deficit, or 0.5% of GDP.

Budgetary allocations to the Office of the President for 2021 are estimated at Z\$14.3bn, Ncube told parliament, compared to the Z\$2.6bn allocated for 2020. (In the end, the President's office had spent Z\$3.9bn by September and is on track to spend over double the budgeted allocation.)

Ncube allocated Z\$54.7bn for the health and childcare budget and Z\$55.2bn for primary and secondary education, which explains the chronic underfunding of hospitals and schools, which were once the pride of the region.

Neither do Ncube's macro-economic forecasts for formal economy transactions match up with the Treasury's and the central bank's figures.

Documents published by the RBZ, which answers to the finance minister according to the constitution, appear to show it has been contracting debt illegally. Yet Governor Mangudya is in practice answerable not to Ncube but directly to President **Emmerson Mnangagwa** and his deputy, General **Constantino Chiwenga**.

The Treasury has stopped borrowing directly but has shifted this function to the RBZ, in violation of section 49 of the Reserve Bank Act, which does not permit the central bank to borrow except against reserves. This constitutional provision was designed specifically to prevent dabbling in quasi-fiscal activities and requires the central bank to maintain, at the very least, a neutral balance sheet.

DEBT UP

In July 2019, the RBZ had Z\$23bn in foreign debt. The exchange rate at the time was US\$1=Z\$9.19, meaning the debt was valued at US\$2.5bn.

By July 2020, when Ncube said he was balancing the books, the RBZ's foreign debt had jumped to Z\$366bn – amounting to US\$4.8bn at the prevailing exchange rate of US\$1=Z\$76.76. In one year, foreign debt had increased by US\$2.3 bn.

Where did the money go? Nobody knows. During his monetary policy presentation in February, Mangudya said the central bank had 'validated blocked funds in an amount of US\$1.2 bn from 730 applications' as part of its

WHAT LIES BENEATH THE BALLOONING DEBT

Business people and bankers in Harare are trying to work out how the Reserve Bank of Zimbabwe (RBZ), has managed to nearly double its foreign debts over the last year, bringing them to US\$4.8 billion by July.

In October, Finance Minister **Mthuli Ncube** said the loans are 'structured around commodities... supported by gold, platinum and so on. So it's actually off-balance-sheet debt.' He added, 'some of it is legacy debt from the currency reform agenda', after the central bank said it would take on at least US\$1.2bn of bad corporate foreign debt in February 2019.

Respected economists believe that the explanation lies in Governor **John Mangudya** being answerable not to the finance minister but to President **Emmerson Mnangagwa** and Vice-President **Constantino Chiwenga**, who have different priorities.

This view has led to questions about the role of Afreximbank, set up by the African Development Bank and owned by its member states including Zimbabwe, which has become a major lender to the government over the past five years.

When serious negotiations to restructure Zimbabwe's foreign debt were ongoing in 2016 and 2017, Afreximbank emerged as one of the lead arrangers for refinancing of the country's arrears to the World Bank and African Development Bank. It also provided a US\$200 million guarantee to Zimbabwe's 'bond note' surrogate currency system, which preceded the full resurrection of the Zimbabwe dollar in 2019 (AC Vol 57 No 23).

In late 2018, Mangudya signed a Memorandum of Understanding with Afreximbank for a US\$600m 'Nostro Stabilisation Facility' and a US\$150m letter of credit facility for importing fuel, fertiliser and feedstock to produce cooking oil (AC Vol 59 No 1). Other reports suggest the facility was expanded US\$1.5bn to provide guarantees to investors and stabilise the local currency.

In July this year Bloomberg News reported that Afreximbank had extended a US\$250m credit facility, with much of the money to be used for buying fuel. Again, the terms of the facility and the uses to which it is being put are a closely guarded secret.

The RBZ provides key lenders such as Afreximbank with 'hypothecated invoices' for its gold sales, one banking source told *Africa Confidential*. In this way, the RBZ, which controls gold exports, can secure an advance on future royalties.

Questions about the RBZ's role and accountability are mounting. Controversy surrounds Zimbabwean oligarch **Kudakwashe Tagwirei**, who had dominated fuel imports into the country through an alliance with Swiss commodity trader Trafigura (AC Vol 61 No 17).

In 2019 Biti's Public Accounts Committee uncovered how Tagwirei's company Sakunda received US\$366m in government bonds as payment for supplying inputs for President Mnangagwa's Command Agriculture scheme. The Reserve Bank then redeemed two-thirds of the bonds at vastly preferential rates, nine to ten times more than those offered to other companies. This cost the central bank about 2.3 billion Zimbabwe dollars, dealing a severe blow to the new national currency.

Another problem has been currency 'round-tripping' by political insiders with privileged access to dollars through the central bank (AC Vol 60 No 9). By buying dollars at the cheaper official rate, and then exchanging those dollars on the black market, corrupt insiders have been able to generate huge winnings of free money. In 2018, a prominent adviser to Mnangagwa claimed that Tagwirei was getting preference over others in foreign currency allocations from the central bank, of US\$80-90 a month (AC Vol 59 No 22). ●

policy to take over forex-denominated debt owed to foreign suppliers.

There are suspicions that this facility – which would not explain the entire US\$2.5bn debt increase – was used by officials and their business allies to plunder the state, particularly as the identities of the beneficiaries have been kept secret.

In October 2017, the central bank's net foreign debt stood at US\$733 million. Since the November 2017 coup, it has increased nearly seven-fold, giving the lie to President Mnangagwa's claim that he is breaking with the past and is running a disciplined government.

Since the government claims it is operating within its Z\$64bn budget and by July had spent less than half of it, why did the central bank borrow US\$1.7bn between March and June 2020? What expenditure was the central bank supporting that is outside the budget?

It seems likely that the government has merely moved its mammoth borrowing and opaque subsidies from the Treasury to the RBZ. This is despite the finance minister claiming in

his 2020 budget that he was removing subsidies on fuel, electricity and grain, because they 'led to large and often unpredictable expenses'. The RBZ has no capacity to repay this ballooning debt.

Opposition MPs are demanding answers, saying that the central bank is clearly insolvent again, with negative equity of Z\$387bn. This is barely five years after the RBZ Debt Assumption Bill, which saw taxpayers saddled with debts from schemes such as the Farm Mechanisation Programme, seen as a way of rewarding allies of the ruling Zimbabwe African National Union–Patriotic Front.

'ROGUE BANK'

The MDC's Biti wrote last month: 'The RBZ is a rogue bank that has been key to sustaining the ZANU agenda of regime survival and state capture. In one year alone it has contracted debt of US\$2.3bn without approval from parliament and in breach of the constitution' (AC Vol 61 No 10).

He pointed to 'illicit dealings' in fuel, treasury bills, minerals and Mnangagwa's favoured Command

Agriculture scheme, in which Tagwirei is heavily involved (AC Vol 60 No 18). These transactions could also raise reputational, if not legal complications, for foreign institutions lending to the RBZ. Such deals could come under scrutiny in the wake of political change in the country.

For now, the loans could further destabilise the monetary system, and make more remote any prospect of an agreement with the IMF and World Bank on reforms leading to a debt restructuring.

The only way the central bank can repay these debts is either by printing money and going into the market to purchase US dollars, in the process driving up inflation, or mortgaging the country's mineral resources. That may explain the flurry of deals in the gold, diamond and platinum mining sectors.

However, these have also been a source of massive revenue losses for the country. Industry estimates suggest that at least US\$1.5bn of gold has been smuggled to the **United Arab Emirates**, by politically connected operators, over the past year. ●

MOROCCO

King reaps Saharan dividend

Rabat has secured a big diplomatic win by restoring relations with Israel, but also faces new risks

This summer, King **Mohammed VI** (M6) told **United States** presidential son-in-law and Middle East envoy **Jared Kushner** that Morocco would need a very big reward for restoring diplomatic relations with **Israel**. US recognition of the kingdom's sovereignty over the disputed Western Sahara would be the least Rabat needed to counter possible public anger. M6 is Chair, after all, of the Islamic states' *Al Qods* Committee, a prized (in Morocco) diplomatic role (AC Vol 61 No 17). Joining the **United Arab Emirates** (UAE), **Bahrain** and **Sudan** in agreeing to President **Donald Trump's** 'Abraham Accords' was discussed with senior Israelis and Trump's special envoy **Avi Berkowitz** by M6's go-betweens – including veteran Moroccan Jewish community leader **Serge Berdugo**, wealthy businessman **Yariv Elbaz** and foreign intelligence head **Yassine Mansouri**.

External intelligence service chief **Mansouri** is an M6 friend since they attended the *Collège Royale* created by his late father King **Hassan II**. More influential on many sensitive dossiers than urbane Foreign Affairs Minister **Nasser Bourita** – who was also involved in courting Washington, with meetings with **Kushner** and his wife **Ivanka Trump** – **Mansouri** discussed normalisation with his Israeli counterpart, Prime Minister **Benjamin Netanyahu's** trusted Mossad chief **Yossi Cohen** (AC Vol 60 No 14).

Morocco resisted public normalisation until Trump delivered the goods where it really mattered: in the Sahara (another **Mansouri** dossier), where the US has become the first major power to formally recognise Morocco's claim of sovereignty over the disputed former Spanish colony.

HARD BARGAIN

The King has driven a hard bargain, including potentially billions of dollars in US finance and investment – discussed during a visit to Morocco by a politically focused Trump appointee, US International Development Finance Corporation chief executive **Adam Boehler**, whose delegation included senior financial and National Security Council officials – and the opening of a US consulate in the disputed territory, following several African states and

the UAE. The Abraham Accords have focused on providing new air links and overflight rights with Israel; extra flights are especially important to the million-strong Moroccan diaspora in Israel, at a time when tourism revenues in Marrakech, Tangier and other venues have collapsed. Morocco is also looking to secure civil and security technology investment and expertise of the sort Israel specialises in – and already supplies on a covert basis.

US officials have spoken of some \$3 billion-worth of official financing over the next three years. On 12 December the administration sought congressional approval for some \$1bn in military sales, including General Atomics' MQ-9B SeaGuardian drones and precision-guided munitions made by companies including Raytheon and Lockheed Martin. This would ratchet up the regional arms race after an **Algerian** spending spree in **Russia**, which has recently supplied Iskander 9K720 short-range ballistic missiles and an S-400 air defence system. Despite a financial crisis that has floored government finances, an order has gone in for an initial 14 fifth generation Sukhoi Su-57 warplanes, as Algeria starts to retire its MiG-25 fleet.

Trump typically announced these major developments via Twitter, tweeting on 10 December: 'Another HISTORIC breakthrough today! Our two GREAT friends Israel and the Kingdom of Morocco have agreed to full diplomatic relations – a massive breakthrough for peace in the Middle East!' Amid the usual welter of tweets blaming fraud for his 3 November election defeat, and apparently following a short history lesson, Trump added: 'Morocco recognized the United States in 1777. It is thus fitting we recognize their sovereignty over the Western Sahara.'

United Nations decision-making would normally be expected to grind into action, but Washington has broken ranks after decades of acceding to the theory that a UN-led decolonisation process, based on a referendum, would decide the disputed territory's future as a sovereign nation – the Sahrawi Arab Democratic Republic (SADR), which already sits in the African Union – or as part of Morocco. The White House

said the US believed an independent Sahrawi state was 'not a realistic option for resolving the conflict and that genuine autonomy under Moroccan sovereignty is the only feasible solution' – Rabat's preferred solution since the reign of **Hassan II**. **Kushner** said it could 'possibly break the logjam'.

ISLAMIST IRE

Well-connected founder of leading Rabat think-tank the Amadeus Institute **Brahim Fassi Fihri** said that 'above all things [the deal was] the direct consequence of the [King's] credibility and leadership', and a recognition of 'the multiple reforms launched since the start of his reign'. A loyal domestic press agreed, but major Islamist groups, the unrecognised *Al Adl wal Ihsane* and *Mouvement unité et réforme* (MUR) social association, virulently attacked the move. The MUR's political arm is the majority party of government led by Prime Minister **Saad Eddine el Othmani**, the *Parti de la justice et du développement* (PJD), which was caught between supporting the King and expressing its displeasure at anything that might help 'Zionist occupation'. Moroccan observers say criticism of the deal has been cracked down on hard, with police making arrests in a Fes mosque just one early reminder of who fixed the deal.

These tensions meant M6 was as coy about the deal as Trump was brash. Rabat has maintained close covert links with Israel since **Hassan II** became king in 1961 – reinforced by Mossad agents aiding the assassination of opposition leader **Mehdi Ben Barka** in Paris. Morocco provided intelligence support while Israel was fighting its Arab allies, acting as a back channel in the 1978 Camp David Accords with **Egypt** and **Jordan**, and other mutually beneficial services. But as head of the *Al Qods* Committee and mindful of popular support for the Palestinians – a cause which has in the past brought tens of thousands of protestors onto Moroccan streets – Rabat has kept its distance publicly. Even when **Hassan** hosted Middle East peace events and talks in 1993-94, there was no question of formal recognition.

In Washington, **Kushner** said Morocco had agreed to full diplomatic relations, formal economic ties and direct commercial flights from Tel Aviv. However, Moroccan officials talked only about reopening liaison offices with Israel – which operated between the 1994 Palestinian peace process and the second intifada (uprising) in 2000 – rather than a full embassy and consulates; they said diplomatic relations would start 'as soon as possible'.

Moroccan embarrassment over its Abraham Accord, though the signature date is still to be determined, was apparent when Moroccan media on 10 December dutifully published a Palace communiqué reporting the King's telephone conversation with Palestine National Authority President **Mahmoud Abbas (Abu Mazen)**, to outline his talks with Trump and 'show his esteem' for the Palestinian leader. M6 asserted Moroccan support for a two-state solution and the Palestinian cause, which Morocco placed 'in the same rank as the question of the Moroccan Sahara'.

That won't fool critics of a sell-out, led by Algeria and **South Africa** – SADR's allies in the African Union, which can expect to see more activity over the Western Sahara in the New Year – and critics at home. But a major success for the national cause will be popular, as the Sahara's 'Moroccanness' remains a defining issue for millions, 45 years after Hassan's 'Green March' into the territory, after **Spain** pulled out. Failure to fully integrate the 'southern provinces' after so many years of spending blood and then treasure is generally seen to pose an existential threat to the monarchy.

The announcement further ratcheted up tensions with Algiers, giving ammunition to the Polisario Front independence movement, which

in November returned to armed conflict on the territory's southern border (AC Vol 61 No 23). It has been supported by Algeria, whose *Armée nationale populaire* (ANP) under Chief of Staff Major General **Saïd Chengriha** has become more publicly assertive about operating across borders. Algeria's new constitution, approved in a little-supported referendum on 1 November, for the first time gives the ANP the right to operate beyond Algeria's borders in peacekeeping missions. This was a win for the military leadership, which seems keen to flex its muscles.

After shooting broke out between Polisario and Morocco as the 1991 ceasefire collapsed, the official ANP publication *El Djeich* warned of a 'deterioration' in the regional security situation that the army must be ready to confront. Algeria's civilian politicians remain chronically weak: 74-year-old President **Abdelmadjid Tebboune** was flown to **Germany** in late October as the heavy smoker's coronavirus got out of control. Tebboune finally emerged to make a televised statement on 13 December, telling Algerians he was still recovering but would be back in 'two or three weeks'.

Sabre-rattling is a national sport on either side of the Algeria-Morocco border. But with sporadic shooting involving Polisario along the Moroccan

defensive berm across the Sahara, and troop build-ups on the bilateral border, the threat of a much deeper regional conflict cannot be ruled out.

BIDEN'S BIND

This puts the incoming US administration in a bind. Many in the Moroccan establishment distrust the Democrats, who (like **Hilary Clinton**) are seen to favour Algeria and the Sahrawi cause. But president-elect **Joe Biden** – a longstanding friend of Israel who in previous incarnations has worked with Netanyahu (more usually known for his Republican affiliations) – is unlikely to torpedo the Abraham Accords. He may, however, dial-down on the Sahara, returning Washington to a focus on international institutions via his designated UN envoy, US Foreign Service veteran **Linda Thomas-Greenfield**, who is well-versed in African issues. General Moroccan relations will likely remain at a higher level, while the US seeks to reduce conflict with Algeria in parallel. Rabat's initial response to **Antony Blinken** being named Secretary of State was relief, as his rival for the job, **Susan Rice**, had ruffled Moroccan feathers when she was **Barack Obama's** UN ambassador – another example of how, in Morocco, the Sahara trumps everything. ●

NIGER

Dauphin goes to the polls

With the main challenger excluded, the opposition will have a tough job preventing the election of Issoufou's designated successor

With the 27 December first round of the presidential election approaching fast, **Mohamed Bazoum** – who spent 10 years as President **Mahamadou Issoufou's** right-hand man – is in full campaign mode. The former foreign and interior minister, now candidate for the ruling *Parti Nigérien pour la Démocratie et le Socialisme* Tarayya (PNDS Tarayya), is touring the country in the hope of decisively securing his political inheritance (AC Vol 59 No 8).

And this Sunday's municipal and regional polls will give a first pointer to the success of the government's steady-as-she-goes sales pitch under the stolid slogan *Consolider et avancer*.

Bazoum is calculating that Nigériens feel they have enough excitement already, with jihadist violence plaguing Tillabéri region in the west and *Boko Haram* raids in the south-east, and

will opt for continuity under the PNDS Tarayya now that Issoufou is retiring. His political programme is named Renaissance III – building on the Renaissance I and II manifestos of the outgoing head of state.

Bazoum can point to steady development progress, with the proportion of Nigériens living below the poverty line down from 48% in 2011 to 40% today. Rural food security has been strengthened and there has been reform in justice and penal policy, with legal aid provided to 15,000 individuals and a programme to brief prisoners on their basic rights and provide youth detainees with advice.

With the full weight of the incumbency machine on his side, Bazoum approaches the contest as the apparent favourite. A measure of his confidence is a readiness to openly address one of the most sensitive

social challenges facing Niger's deeply conservative society – one of the world's highest rates of population growth, 3.8% per year.

Presenting his plan to expand secondary education for girls, he openly argues that this means they will have fewer children and promises to instruct the health ministry to campaign on reproductive issues.

AMADOU EXCLUDED

Bazoum may feel more able to publicly address such contentious issues now that the constitutional court has ruled that the most prominent opposition challenger, **Hama Amadou**, is ineligible because he had been sentenced to a one-year jail term – now served – for adopting children who had been brought into Niger by a criminal trafficking network (AC Vol 59 No 24).

Amadou's supporters are understandably incensed at a judgement that is legally correct but politically vindictive: the government tailored the new eligibility law exactly to shut him out. The man himself has reportedly departed for Nigeria, leaving his *Moden Fa Lumana* party to decide whether or not to put up an alternative candidate.

Even with Amadou's popular touch absent from the race, there are other

heavyweight contenders still in the 30-strong field, including the former president **Mahamane Ousmane**, former foreign minister **Ibrahim Yacouba**, one-time opponent turned government ally **Seyni Oumarou**, and the retired general **Salou Djibo**, who led the 2010 military coup (AC Vol 51 No 5).

But if the race goes to a second round, the opposition challenge to Bazoum would have to unite disparate approaches. Ousmane should be able to mobilise the Kanuri vote from the east, while Yacouba has presented himself as a disappointed modern reformist critic since being dropped from Issoufou's government in 2018. Djibo may have some youth appeal, particularly in Niamey and the Niger river valley.

Oumarou has a more consensual image. After being overtaken as an opponent by the more populist Amadou in the 2015 election he led his *Mouvement national pour la société du développement* (MNSD) into partnership with the government. He has tried to position his party – historically associated with the military establishment – as a mediating, non-aligned force, able to work with either side in the interests of stability. In vain, he even attempted to break the deadlock between government and opposition over the electoral law.

This doveish style contrasts with the inflammatory Amadou – who used a mass rally and his Twitter account to publicise claims that Bazoum is touring the country handing out money contributed by 'those who finance insecurity'. Without providing any evidence, this came close to accusing the government candidate of being financed by hidden hands behind terrorism.

It was a line of attack with electoral 'cut-through' in a country where scores of soldiers have died in jihadist attacks this year while state auditors uncovered a military procurement scandal enriching businessmen with high-level political connections and leaving the overstretched defence forces without 76 billion CFA francs (€116 million) of equipment they should have received.

TRACK RECORD

While Bazoum benefits from the advantages of incumbency it also means that he is running on the track record and the image of the Issoufou administration, of which he has been a key member. The president's Harvard-educated tech entrepreneur son, **Sani**, is his campaign manager.

The government's rightly admired focus on food security and development of the rural communities where most Nigériens live may bring electoral benefits.

But its security alliance with **France**

and the **United States** – a policy with which Bazoum has been intimately associated – presents political challenges for his candidacy in this overwhelmingly Muslim country.

Some voters are uncomfortable with the strategic alignment with the West, even while they accept its necessity, given the surrounding threats from **Malian** jihadism or *Boko Haram* (AC Vol 61 No 14). And that unease is only heightened by the continuing violence.

So over recent weeks Bazoum has sought to bring reassurance to the populations of Tillabéri region, bordering Mali and Burkina Faso, with campaign rallies in country towns such as Torodi, Simiri, Sansané Haoussa, Kirtachi and Ouallam – the latter hugely impacted by the border refugee crisis. Despite recent military successes by Nigérien, Malian, French and **Estonian** troops, security here remains fragile.

The government has just announced plans to double the size of the armed forces to 50,000 over five years, and set up new military training centres and an officers' staff college. But already heavy defence spending has squeezed the scope for social priorities: health's share of the government budget has halved, to a mere 4.5%, since 2009.

Meanwhile, Bazoum has been fighting off a nativist attack on his right to stand for the presidency at all, amid rumours that he is **Libyan**-born, with some critics from his home region, Diffa, in the far east, bringing legal action to challenge his eligibility. By late November he felt unable to ignore the political threat this posed, opting for a surprisingly frank television interview, in a bid to dismiss the issue once and for all.

The fact that he had to resort to this reveals the political challenge that he faces, as an Arab from the small Oulad Souleymane Arab tribe, from a village near Lake Chad, seeking to succeed Issoufou who, as a Hausa from Tahoua, in the centre south, has a large natural ethnic and geographic political base.

But the interview's public impact was largely eclipsed by the death last month of **Amadou Tandja**, 82, one-time MNSD leader and president of Niger from 1999 until 2010 – when he was deposed by the army after starting to dismantle democratic safeguards to prolong his stay in office (AC Vol 50 No 14, President Tandja goes for a third term).

His is one of several recent deaths among retired West African leaders linked – in starkly contrasting ways – to the region's bumpy democratic history: other include the Malian dictator **Moussa Traoré** and the man who deposed him, **Amadou Toumani Touré**, and **Mauritania's** first democratic

president, **Sidi Ould Cheikh Abdallahi**.

The passing of Tandja has stirred memories of a time when Niger was less troubled by security threats, although some regions did suffer devastating food crises because of the president's refusal to admit that famine was possible, despite Niger's Sahelian location and status as the world's poorest country.

The 2010 military coup paved the way for the democratic election that brought Issoufou to power after two decades as the leader of the centre-left progressive opposition camp.

PLAUDITS

Today Issoufou is earning international plaudits for stepping down at the end of his second mandate, as the term limit requires – rather than seeking to amend it as his **Guinean** and **Ivorian** counterparts **Alpha Condé** and **Alassane Ouattara** have done (AC Vol 61 No 22). Gratefully seizing on this helpful reassertion of principle, the visiting French Foreign Minister **Jean-Yves Le Drian** recently said the quality of Niger's election 'would be a model for all of Africa'.

Opposition contenders might beg to differ. Three independent civil society figures have recently been freed – after more than five months in detention. And although experts from the Economic Community of West African States and the Organisation internationale de la Francophonie have audited the voters register and praised its quality, many opponents feel that electoral rules have been drafted for the convenience of government.

They have pulled a patchwork of party alliances together into a single coalition for change, CAP 21. With no one member candidate likely to pull off a surprise opposition victory in the first ballot, they have to hope that collectively they can mobilise sufficient support to deny Bazoum outright victory and force him into a run-off.

Much will then depend on whether the opposition can unite their various electorates behind a single standard bearer, without losing defectors to the government camp.

Oumarou has the consensual style and central positioning to play a crucial role. But he held back until the early December official start of the campaign, whereas some candidates, including the well-resourced Bazoum, bent the rules and set out on the trail well ahead of time.

Has the day for the MNSD man's cautious moderation passed? Or will the recent death of his mentor Tandja revive respectful feelings that give him a popular lift in these final days before the 13 December poll? ●

SOMALIA

Testing time for elections

The opposition is furious is that the secret police chief is Farmajo's campaign manager and monitor of election candidates

After months of haggling and bitter verbal conflict, parliamentary elections should take place next month, followed by the presidential election in February. Yet it is becoming increasingly clear that President **Mohamed Abdullah Mohamed 'Farmajo'** will not give up power easily.

Agreement on the elections was hammered out between the federal government in Mogadishu and the presidents of the federal member states (FMS) in September and ratified by parliament in the same month. But opposition is growing to what critics say is Farmajo's refusal to abide by the spirit of those agreements.

This much became clear when each of the five FMSes nominated four delegates each to an Electoral Commission and a disputes commission. The federal government was meant to name 30 more representatives of wider society, such as civil society organisations, businesses and members of the intelligentsia. Yet most of Farmajo's nominees turned out to work either in the President's or the Prime Minister's offices. The remainder were National Intelligence and Security Agency (NISA) operatives.

'QATAR'S MAN'

The opposition cried foul. NISA has become politicised under the leadership of **Fahad Yasin Haji Dahir** (Sheikhal/Reer Aw Hasan), Farmajo's close associate who is seen as 'Qatar's man' in the federal government. Yasin, who is a Salafist, who once worked as a journalist for the Qatari-owned *Al Jazeera* TV channel, has been accused of working with *Al Shabaab* at times.

The opposition is worried that Yasin should be in charge of the committee responsible for vetting parliamentary candidates. It is afraid that the committee might disallow candidates opposed to Farmajo by pretending they are *Al Shabaab* infiltrators.

Another worry about Yasin concerns the placing by the **United States** on its list of 'known terrorists' of **Abdullahi Osman Mahamed**, aka 'Engineer Ismail', the Islamist militia's chief bomb-maker. He leads the militia's media arm, *Al Kataib*. During the 2000s he worked as a cameraman

for *Al Jazeera* and was a close friend and colleague of **Fahad Yasin**.

The US has been angered by other incidents, Mogadishu-watchers say. Recently, a key commander of Danab, the highly effective Special Forces unit of the Somali National Army which is trained and mentored by the US, was arrested by NISA because, we hear, he belongs to the same clan as **Hassan Ali Khaire**, the prime minister sacked by Farmajo in the summer (AC Vol 61 No 16).

The Jubaland and Puntland presidents, **Ahmed Madobe** (Darod/Ogadeni) and **Said Deeni** (Darod/Majerteen) decided not to send their delegates to the commissions. This gave space for the Forum of National Parties (FNP), the best-organised opposition to Farmajo, the chance to close ranks and come up with a common platform.

STRAINED

Nairobi – whose relations with Farmajo have become increasingly strained – played host to the opposition leaders. Farmajo annoys Kenya by trying to sideline Madobe, a key ally for Nairobi, which regards Jubaland as a buffer against *Al Shabaab*. Kenya also has interests in the port of Kismayo.

Opposition presidential candidates have been organising against Farmajo's authoritarian actions. They held a big gathering on 22 November followed by several days of intense popular consultations. **Hassan Sheikh Mohamud**, who was federal President from 2012 to 2016, made a ringing speech against Fahad Yasin and the way the security apparatus was being used by Farmajo (AC Vol 61 No 15).

The meeting ended with a demand that the commissions be cancelled, and that Farmajo sack Fahad Yasin, since he cannot run both NISA and Farmajo's election campaign. Some opponents called for armed action against the government, others for Farmajo to be recognised as president until 8 February, when his mandate ends, and no longer. Huge crowds greeted the opposition leaders as they returned from Nairobi at Mogadishu airport.

Evidence of Farmajo's isolation and the depth of the opposition to him is the presidential candidacy of **Ali Khaire** (Hawiye/Murusade). Farmajo sacked

him in July because he tried to minimise confrontation with the FMS.

Yet now, Khaire has met key opposition leaders, such as **Hassan Sheikh Mohamud**, **Sheikh Sharif Ahmed**, and **Abdirahman Abdi Shakur**, and apologised for using coercive tactics against them when he was Farmajo's premier.

Farmajo has not been idle in the face of the front against him of Hawiye politicians and the two Darod-led federal member states, Jubaland and Puntland. His deputy prime minister, **Mahad Mahamed Guled** (Dir/Isaq), tried to make the argument that Puntland and Jubaland's absence from Parliament would not affect the election of the President.

Farmajo can depend on three main allies: the presidents – which he put in power – of South West State, Galmudug and Hirshabelle. Galmudug President **Ahmed Abdi Kariye Qor-Qor** (Hawiye/Haber Gidir), a fellow clan member of the current Prime Minister, **Mahamed Hussein Roble** (Haber Gidir/Qumis), gathered Haber Gidir elders to stir them up against Abgal presidential candidates but failed because criticisms of Farmajo kept coming up.

Other supporters of Farmajo, like **Omar Mahamud Mahamed Finnish** (Hawiye/Abgal), whom Farmajo appointed governor of Banadir and Mayor of Mogadishu in August 2019, tried to take the religious route by denouncing opposition leaders as equivalent to 'hypocrites' described as deserving of death in the *Quran*. This tactic backfired badly.

POPULAR TOUCH

The FNP and the opposition presidential candidates are countering Farmajo mainly through **Sheikh Sharif**, representing both of them and campaigning throughout the country for free and fair elections with no NISA involvement. He has a strong popular touch and is building national support against the authoritarian trends at work in the presidency.

These subtleties are largely lost on the international community, which continues to celebrate Farmajo's work and ignore the risk of violent confrontation breaking out. At the UN Security Council in New York, the current UN Secretary General's special representative, **James Swann**, was celebrating the work of the Mogadishu government in preparing for the elections as if the opposition and the violence risks were absent. The European Union followed suit, with a favourable report on Farmajo from its ambassador there, **Nicolás Berlanga Martínez**. ●

POINTERS

Zambia

TWO DAYS THAT CHANGED NOTHING

■ Zambia's chances of a bailout from the International Monetary Fund following its default on its Eurobond coupon payments are looking bleak, in spite of conciliatory words from a high-level Fund mission which left Lusaka on 9 December after two days of talks. **Abebe Aemro Selassie**, Director of the IMF's African Department, said, 'We look forward to the presentation of the government's home-grown economic strategy, and will be assessing in the coming weeks how the IMF could support the authorities' reform efforts through a possible Fund programme.'

But Lusaka insiders say there is little chance of any overhaul of current policy, which is to promise change but do little, they add. Fund officials were shocked, we hear, at the government and its officials' lack of interest in concrete steps to improve fiscal discipline, cut waste and tackle the debt mountain. President **Edgar Lungu** requested a Fund programme on 8 December, but observers think this was for show.

Behind the boilerplate diplomatic language of the Fund's brief 9 December statement, there is believed to be frustration at Lusaka's lack of interest in solutions to restore its creditworthiness and solve its repayments crisis. That it 'look[s] forward' to an economic strategy is taken as evidence that Lusaka has none. This is matched, insiders say, in Lusaka by an understanding that no deal is possible.

Pundits in Lusaka said that there was never any realistic prospect of a change in policy six months before an election which the ruling Patriotic Front has been preparing the ground for ever since it won the last one. However, as if to play belated catch-up with the Fund's request, the government announced President Lungu would launch a 2020-2023 Economic Recovery Programme – contents as yet unknown – at a press conference on 17 December, as *Africa Confidential* went to press.

Kenya/Somalia

FARMAJO BREAKS WITH NAIROBI

■ By expelling the Kenyan ambassador and then doubling down by severing all diplomatic ties with its southern neighbour, President **Mohamed Abdullah Mohamed 'Farmajo'** appears to be hoping that Somalis will respect his raising of the stakes, with parliamentary elections due next

month, followed by presidential polls in February (AC Vol 61 No 24)

Somalia announced it was cutting diplomatic ties on 15 December, the day after **Muse Bihi**, the leader of the semi-autonomous Somaliland, arrived in Nairobi for talks with President **Uhuru Kenyatta**.

Following the talks, Kenyatta's government announced that it had committed to open a consulate in Somaliland's capital Hargeisa by the end of March and to start operating regular flights from Nairobi.

Kenya had been 'meddling in our internal political affairs and it has ignored our previous calls to stop violating our sovereignty,' said Somali Information Minister **Osman Dubbe**.

A long-running maritime dispute plus simmering tensions over Kenya's support for President **Ahmed Madobe** of the federal member state of Jubaland, which Nairobi regards as a buffer against the *Al Shabaab* Islamist militia, and Kenya's harbouring of Jubaland's fugitive security minister, **Abdirashid Hassan Abdinur Janan**, accused of war crimes, had already left Kenya-Somalia relations at their lowest ebb in decades (AC Vol 61 No 6 & Vol 60 No 18). Farmajo is angry enough at Nairobi's regarding Jubaland as its own without Kenya attempting to extend its influence at the other end of his country.

Another, perhaps more pressing matter for Somali politicians is whether their Nairobi property portfolios and assets could become suddenly exposed to retaliatory measures by Kenyatta. One factor that may have emboldened Kenya is the sudden withdrawal of all **Ethiopian** troops from Somalia and the disappearance of Addis Ababa as a major arbiter there.

EU/African Union/ACP

OLD TREATY ROLLS OVER

■ After two years of negotiations the white smoke of a successor to the Cotonou Agreement – which governs trade and political relations between the European Union and the African, Caribbean and Pacific community – finally emerged in early December (AC Vol 61 No 24). With many African states keen to scrap the ACP structure, the result is a classic compromise consisting of a text of 'shared values' which apply to all countries, along with three regional protocols for Africa, the Caribbean, and Pacific.

Aside from the structure, which will create three new parliamentary assemblies – the African Union's pan-African parliament will provide members for a joint assembly with EU parliamentarians, officials say – the new treaty is distinctly short of substance.

Officials say that it is primarily about 'shared values and priorities'. The new treaty will keep trade relations unchanged and will no longer have an aid programme tied to it.

The main new addition is the text on migration which includes new commitments from ACP countries on return and re-admission, one of the EU's main demands (AC Vol 61 No 5).

'We want to get away from a system where Cotonou had vague principles but couldn't be legally enforced,' said an EU official. The Cotonou treaty did require African states to take back failed migrants but, in practice, only **Cape Verde** put this commitment into action.

It is unclear whether things will be any different with the new treaty. While officials say that sides can take 'proportionate measures' against each other in case of non-compliance, there is no sanctions regime.

The treaty will be initialled in January and the ratification process will run till next November – until then the Cotonou pact stays in force.

Britain/Africa

OUT OF THE SHADOWS

■ Although he wrote only two novels specifically on Africa, **David Cornwell**, pen name **John Le Carré**, who died on 12 December, was a colleague of and friend to many of those in *Africa Confidential's* milieu. An aficionado of cameo roles in his 25 novels and some of the filmed adaptations of them, Le Carré described how Justin Quayle, the junior British diplomat in *The Constant Gardener*, stuffs a wodge of publications, including *Africa Confidential*, *Private Eye* and the *East African Standard*, into a music case belonging to Tessa, his wife, who was campaigning against a giant pharmaceutical company, after their house had been ransacked.

That triggered an amiable correspondence between the author and **Gillian Lusk**, Deputy Editor at the time, with an elegant commendation of the 'blue sheet' from the creator of George Smiley. Later on, *Africa Confidential* staffers were invited to an eclectic gathering of journalists, spies and film makers in Soho starring Le Carré, ostensibly an auction of his memorabilia to raise funds for a human rights organisation.

Le Carré's other Africa book, *The Mission Song*, with its detailed encounters with Congolese politicians, reads at times more like *Africa Confidential* than the work of a man described by **Philip Roth** as the greatest English novelist since the Second World War. Yet at his compelling best, Le Carré's talent for creating characters to navigate the ethical and political questions of our time, is unmatched.