

# AFRICA CONFIDENTIAL

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## BLUE LINES

*The approval of South Africa's budget in the National Assembly, by 194 votes to 182 after several false starts, may have inflicted terminal damage on the fledgling Government of National Unity, and particularly the partnership between the African National Congress and the Democratic Alliance. The second largest party in the coalition, the DA voted against the budget on 2 April, hours after ANC Finance Minister Enoch Godongwana told lawmakers that they should not stay in a government whose budget they opposed.*

*At the heart of the row was Godongwana's determination to increase (VAT) to pay for spending rises on education and healthcare as well as civil servants' salary hikes and more spending on infrastructure. The DA had insisted that it would only support tax rises if they were temporary and accompanied by structural reforms.*

*Unlike recent budget rows in Nigeria and Kenya, the dispute in Cape Town is not over how much pain voters will tolerate in terms of tax rises and spending cuts but over the size and role of the state. Godongwana had been forced to water down previous plans to increase VAT from 15% to 17% down to 16% and phased in over two years. A VAT rise was an odd choice for the ANC, and one which opposition parties such as the leftist Economic Freedom Fighters and Jacob Zuma's uMkhonto weSizwe will exploit. One of the most regressive indirect taxes, it hits the poorest disproportionately hard.*

## SUDAN

# Spurning talks, Burhan returns to a wrecked palace and capital

**The radical nationalists and Islamists helping the army defeat the Rapid Support Forces in Khartoum will haunt the new regime**

On 15 April 2025, General Abdel Fattah al Burhan will commemorate two years of war against the Rapid Support Forces (RSF) from the presidential palace in Khartoum. As remnants of RSF fighters either flee the city through Jebel Awliya or fight to the death, they remain encircled by Burhan's Sudan Armed Forces (SAF) and its allied militias.

The SAF's recapture of the capital marks both a symbolic and strategic triumph. It reinforces Burhan's junta as a legitimate authority, with recognition from the United Nations. And it delivers a decisive blow to Gen Mohamed Hamdan Dagalo Hemeti's attempt to establish a rival government backed by the United Arab Emirates (AC Vol 66 No 4 & Dispatches 24/3/25).

When the RSF held its public meeting in Nairobi on 22 February, it presented a new constitution declaring Sudan a 'secular, democratic, decentralized state based on the separation of religion and state, and equal citizenship as the basis for rights and duties'.

It wants to win regional and international support to oppose the return of Islamists to power in Sudan under Burhan, railing against a revival of the National Islamic Front (NIF) regime in Khartoum that ruled from 1989 until its overthrow in 2019 (AC Vol 66 No 5).

Following the SAF's recapture of Khartoum last month, business leaders and regional officials are talking Burhan about financing the capital's reconstruction. Yet the transition envisioned after the 20 February constitutional amendments faces

many roadblocks. These amendments grant the SAF control for 39 months before elections transfer power to civilians. Key issues include managing liberated areas east of the Nile, continuing the offensive to reclaim Darfur, and engaging with international partners.

## MILITIA MANPOWER

The SAF's triumph in Khartoum relied heavily on support from militias tied to the old regime, the Islamists, and the former ruling NIF and National Congress Party (NCP). In late 2024, the Al Baraa Ibn Malik Battalion changed its name to Brigade, reflecting its expansion to over 15,000 members. This group fills the SAF's long-standing infantry gap and is equipped to deploy drones and artillery.

No one knows whether the political rifts between the SAF and militia groups can be contained. Burhan, unlike Beshir, is not a staunch Islamist and may fear that Islamist factions in Khartoum could limit his political aspirations. Some may target Burhan for ordering Beshir's arrest in the wake of the April 2019 revolution. The relationship between the SAF's officer corps and Islamist fighters is often intentionally opaque.

It's unclear whether Islamist militias will prioritise their military role alongside the SAF in retaking western Sudan and Darfur or concentrate on a more overtly political role in reconstructing and consolidating Khartoum's state apparatus. So far, Islamists have focused on gaining control over the judiciary, administrative and diplomatic appointments, while

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3rd Floor, 45 Albemarle Street  
London, W1S 4JL, UK  
Tel: +44 20 7831 3511

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Deputy Editor: Andrew Weir  
Website Editor: Juliet Amisshah  
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preparing for the political transition. They have prioritised releasing jailed NCP cadres and unfreezing assets of banned Islamist front companies which amount to hundreds of millions of US dollars.

Debilitating tensions between the Islamists and the officers may take time to surface. As substantial funds flow into Khartoum and the rainy season restricts military operations, attention will shift to informal power-sharing deals in Khartoum.

Islamist militias have been the most aggressive in targeting those suspected of collaborating with the RSF. Over 900 people have been arrested and detained in El Gezira State. Many in Khartoum fear that people from the Nuba Mountains and South Sudan could be labelled as RSF supporters and shot dead on sight. That also applies to activists involved in the 2019 revolution against the Islamists and Beshir's regime. Journalists and civil society workers are also likely targets.

**WESTERN ADVANCE**

Senior SAF officers are planning the next phase of the war. They want to clear the residual RSF fighters from Khartoum and other states on the east bank of the Nile. Then they plan to advance into western Sudan to consolidate control over El Obeid and much of Kordofan, and launch military operations in South Darfur while bolstering the Sixth Infantry Division and joint forces in North Darfur.

Those plans may face serious obstructions. Security in 'liberated areas' is weaker than anticipated, requiring the deployment of more troops and militias to ease the return of displaced populations and secure supply lines.

This highlights the geographic variation in attitudes to the SAF. The territory seized from the RSF is either supportive of the army or, more likely, fundamentally hostile to the RSF for several reasons, including ethnic prejudice against RSF fighters from Darfur.

But this hostility carries less weight as the SAF and allied militias advance

**KHARTOUM'S SUITORS JOSTLE FOR PRIMACY**

Sudan Armed Forces (SAF) Commander General **Abdel Fattah al Burhan** has to clarify his line on regional and international relations. His offensive has returned many areas, including the capital, to SAF control – but it has relied heavily on arms and logistics from **Russia, Iran, Egypt, Turkey and Qatar**. Managing such a disparate support base while maintaining access to western finance will demand diplomatic finesse, not his strongest suit (AC Vol 66 No 1).

A delegation from **Saudi Arabia** visited on 27 March, sending a strong signal and was taken seriously by Sudanese military officers. Led by Saudi Ambassador **Ali bin Hassan Jafar**, it pledged humanitarian aid, plans to rebuild the capital, and macroeconomic support for a currency much weakened by the war.

Riyadh differentiates itself from Abu Dhabi's opposition to Islamists and support for the RSF. It wants to stop Khartoum's regime from becoming either a civilian democracy or an Emirati puppet. Those priorities are shared by Burhan and his circle.

To strengthen its position, Saudi Arabia may propose a diplomatic initiative that risks antagonising UAE President **Mohammed bin Zayed al Nahayan** (MBZ). It may also offer the **United States** a role that maintains Washington's relevance without direct commitments.

The attempts to form an Africa team in President **Donald Trump's** administration in the United States have stalled. Air Force Colonel **Jean-Philippe Peltier** has declined to take Africa Director in the National Security Council role, ostensibly but improbably due to a dispute over accommodation.

The conference on Sudan, organised by **Britain** in mid-April, might offer a platform for a Saudi-US-European initiative. Riyadh recognises the interest of several US lawmakers, including Representative **Sara Jacobs**, Senator **Chris van Hollen** and Representative **Gregory Meeks**, who have openly criticised the UAE's arming of the RSF. Saudi officials may collaborate with them to counter the visit of UAE National Security Advisor and Abu Dhabi Deputy Ruler, **Tahnoon bin Zayed al Nahayan**, whose surreal investment plans of US\$1.4 trillion over the next decade have raised eyebrows, even by Emirati standards.

MBZ shares Trump's transactional, zero-sum approach to politics. His endorsement of the Abraham Accords stands as Trump's key Middle East foreign policy achievement, supported by a well-funded and effective lobbying network in Washington. Yet MBZ's Sudan ambition is becoming a deadly liability. His plans for **Mohamed Hamdan Dagalo 'Hemeti'**, a protégé with strong commercial ties to Abu Dhabi, to lead Sudan have been derailed, marking an expensive, in terms of blood and treasure, failure in Africa. Public discourse and social media reveal that the UAE's heavy backing for Hemeti's military and gold smuggling operations has damaged Abu Dhabi's reputation, seen increasingly in the region as a cash register whose diplomatic line is as unreliable as any western power. ●

westwards to Darfur. Community allegiances are highly polarised, making it harder for the SAF to identify allies. All this may slow down or derail the SAF's military operations.

In recent few weeks, the SAF has reorganised contingents that fled to South Sudan from South Darfur and remained near the border in 2024. They may now see an opportunity to reorganise these contingents into a military force able to target gold mines controlled by the RSF and its allies – potentially heightening divisions among communities or leaders who have differing views on the RSF and Hemeti.

Over the past year, the Baggara and Rizeigat ethnic groups have clashed repeatedly. Among the Rizeigat, tensions between the Mahamid and Mahariya clans, driven by tribal and political ambitions, are embodied in the long-standing hostility between **Musa Hilal**, a Mahamid leader and former *Janjaweed*

militia chief, and Hemeti, who belongs to Mahariya (AC Vol 63 No 19).

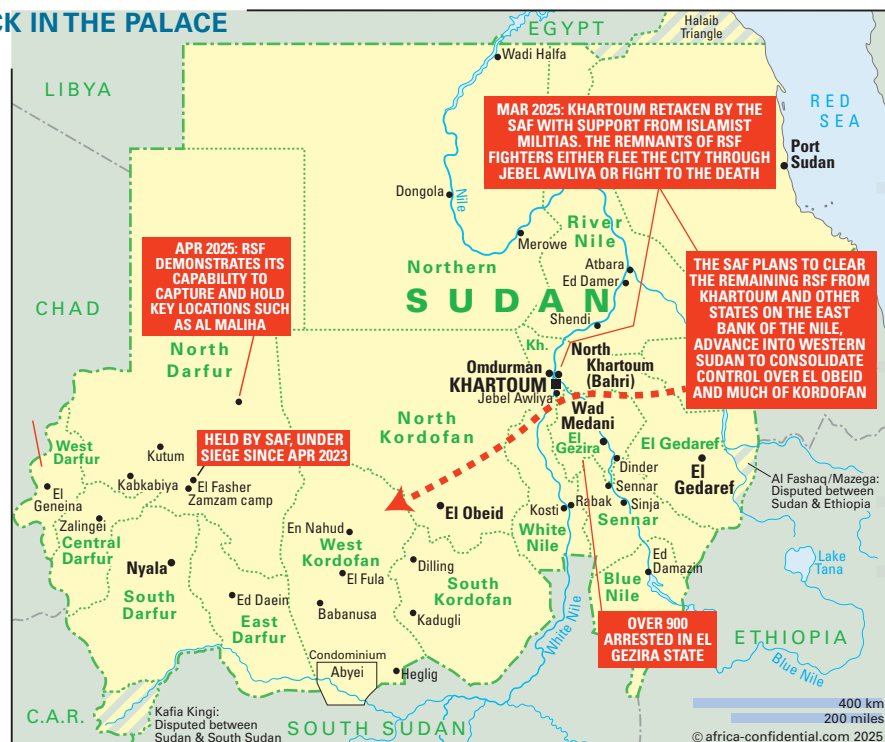
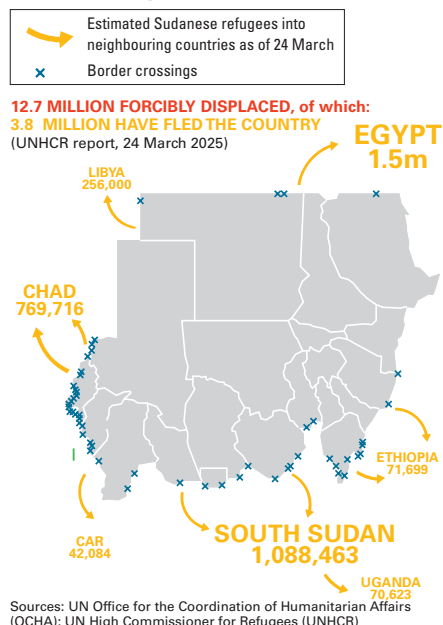
Developing a political solution would require time and foresight. Both are scarce after two years of devastating war. Defending North Darfur is still trickier. Strengthening the Joint Forces, primarily the Zaghawa armed groups, appears rational and necessary.

Yet the RSF is still showing its capacity to capture and hold key locations such as Al Maliha. The city, a stronghold for the SAF and Joint Forces, is a strategic crossroads connecting Al Dabbah to the north, Hamrat al Sheikh in North Kordofan to the east, and El Fasher to the south. The RSF, arriving with some 700 combat vehicles, seized the town and retained control. This is despite Joint Forces being reinforced from outside.

The Meidob community reported dozens of its members were killed by the RSF.

## SUDAN: BURHAN'S ARMY IS BACK IN THE PALACE

After retaking the capital, the SAF has a long march west to unify the country



Should the SAF grant more credibility to Minni Arkou Minnawi, leader of a faction of the Sudan

Liberation Movement, and other Zaghawa commanders, it could prompt demands for power-sharing beyond

Darfur. It may also strain relations with Chad and its president, Mahamat Idriss Déby Itno 'Kaka' (AC Vol 66 No 7). ●

### CHAD/SUDAN/UAE

## Mahamat caught between Khartoum and the Emirates

Well paid by the UAE to ship arms to the RSF militia in Darfur, Ndjamenia is threatened by its eastern neighbour

After expelling the Rapid Support Forces (RSF) from Khartoum in late March, the Sudan Armed Forces (SAF) commander General Abdel Fattah al Burhan is now focusing on the militia's presence in Darfur and its principal supporters: Chad's President Mahamat Idriss Déby Itno 'Kaka' and United Arab Emirates President Mohammed bin Zayed al Nahayan (MBZ) (Dispatches 24/3/24).

Assistant Commander Lieutenant Gen Yasser Al Atta stated that the airports at Amdjarass and Ndjamenia, used for UAE arms shipments to the RSF, are legitimate military targets. For nearly two years, Sudanese officials have lambasted Chad, once a close ally, for helping the RSF in return for UAE funding (AC Vol 65 No 15 & 22). Their protests at the African Union were overshadowed by UAE lobbying and financial influence peddling.

Sudan's complaint to the International Court of Justice, accusing the UAE of complicity in genocide through arms and support for the RSF

and its commander, Gen Mohamed Hamdan Dagalo 'Hemeti', ups the ante. With UN recognition for the Khartoum regime, Burhan is pursuing the case as a sovereign state against the UAE, and the first hearing is set for 10 April in The Hague, despite UAE lobbying (Dispatches 10/3/25).

The UAE's support for the RSF reflects MBZ's ambition to expand influence in Africa and counter the Islamists aligned with Burhan. Chad's Mahamat Kaka was driven by money rather than ideology. And that embroiled him dangerously in the UAE's Sudan project.

Mahamat wanted to consolidate power following his father's death in April 2021 by winning the presidential election in May 2024, then taking control of Parliament in December and the Senate in February (AC Vol 62 No 9). To do so, he required substantial funds to finance electoral skulduggery, undermine rivals, and maintain unity within the military. The UAE offered this support, and opportunities for personal enrichment.

Abu Dhabi expected more United States support after Donald Trump's inauguration in January as it supplied arms, ammunition and drones to its clients in the RSF and countered the SAF (in turn backed by Russia, Egypt, Iran and Turkey). This strategy relied on the RSF seizing North Darfur and launching a new offensive to contain the SAF. Neither has materialised.

Before Lt Gen Atta's statement, Mahamat Kaka sent emissaries to Cairo and Port Sudan to deny his involvement in the Sudanese conflict and offer to restore relations with Burhan. Khartoum's intelligence services dismissed such an idea, pointing to the multiple diplomatic and media reports of Chad's role in the UAE arms deliveries to the RSF. In its final days, President Joe Biden's administration confirmed to the US Congress that the UAE was still arming the RSF despite its assurances to the contrary.

Ndjamenia's diplomatic efforts failed. Saudi officials attempted a mediation in late March, with Burhan and Mahamat



Kaka both in Mecca, but Burhan refused to meet Mahamat.

Under Mahamat, Chad's diplomacy has been lacklustre. Weeks before Atta's remarks, *Africa Confidential* had reported this SAF view, yet Mahamat's response was slow and ineffective (AC Vol 66 Nos 2 & 5). An awkward statement from the Ministry of Foreign Affairs was later echoed by Army spokesperson, Brigadier Gen **Chahane Issakha Acheikh**.

In late March, reinforcements of troops and equipment were deployed to key Zaghawa cities near the Sudanese border, indicating that some officials in Ndjamena saw their Zaghawa kinsmen in Sudan as a greater threat than disenfranchised RSF fighters fleeing west from the war zone. These latter fighters had been crossing into Chad seeking refuge, particularly in the Dar Silla and Salamat regions, where rising insecurity had begun obstructing humanitarian aid.

The Chadian regime is now on a war footing, actively pursuing its declared opponents. On 21 March, dissident Colonels **Moda Ali Brahim Maguine** and **Nadir Saboun Docki Dondi**, along with a dozen comrades, were killed in an attack by a drone launched from Chad targeting El Fasher, the North Darfur capital besieged by the RSF. Moda and Nadir, who had plotted a coup in January 2023 having opposed Ndjamena's backing for the RSF support, were imprisoned for months before being released. Shortly afterwards, they crossed the border into North Darfur with about 40 technical vehicles to join the fight in El Fasher against the RSF.

Insiders doubt the SAF will bomb Chadian airports. Gen **Salah Gosh**, former national security advisor to President **Omer Hassan Ahmed el**

**Beshir**, fled to Egypt during the 2019 uprising but has since regained influence in Khartoum on its Chad strategy. As the architect of Chad policy in the 2000s, he led the building of an armed opposition to President **Idriss Déby Itno**, who had declared Beshir an arch-enemy.

Burhan's regime may soon mobilise proxies among Chadian dissidents who argue Mahamat Kaka lacks legitimacy and want him overthrown. Critics cite numerous grievances against Mahamat: threatening Zaghawa unity, failing to deliver political reforms after his father's death, misappropriating donor funds, and neglecting the broader Chadian population. The focus, however, will not be the validity of these claims but the ability to unite diverse factions under a common cause.

The UAE's stance will be crucial in the next few weeks. Mahamat Kaka visited Abu Dhabi in early March seeking reassurance, but his demeanour in Ndjamena suggest he left empty-handed.

Abu Dhabi may collaborate with western allies to protect the Chadian regime and Hemeti via tricky negotiations, or it could send it more regional assets to bolster Hemeti militarily against the SAF. For now, the SAF has no interest in negotiations.

And if the UAE wants to ramp up its military support for the RSF, Mahamat Kaka could resume his logistical role. But if he fears that will expose to attacks from Zaghawa in both Chad and Sudan, he may pull back and lose the UAE cash. The UAE has already identified alternatives to Mahamat in south **Libya** and the **Central African Republic**. Abu Dhabi was already frustrated by Ndjamena's officials diverting funds and equipment it had sent via Chad for the RSF. Abu Dhabi's search for

options explains the creation of a joint military force with CAR on 10 March, tasked with border security, challenged by insurgent groups. Mahamat's allies remember how Darfur-based rebels reached Ndjamena's outskirts via Northern CAR without being detected by **French** intelligence in April 2006.

It's unlikely that CAR could take on a role equivalent to Chad's. Infrastructure in CAR is virtually non-existent, and the ruling elite in Bangui tends to seize most available resources sometimes sharing the booty with Russian Wagner officers but disregarding other commitments. The Wagner Group has consolidated its position by the coercive control it wields over the Bangui elite and President **Faustin-Archange Touadéra**.

Two factors could shape developments. One is the political landscape of southern Libya, where Gen **Khalifa Haftar's** son, **Saddam**, has been stationed for several weeks. He's trying to control various Libyan militias and their Chadian and Sudanese affiliates. Tensions may escalate sharply here.

On the diplomatic front, **Turkey** has been quiet in recent months. Disregarding his domestic woes, President **Recep Tayyip Erdogan** may take the diplomatic lead in the region by convening representatives from Chad and Sudan to negotiate a *modus vivendi*. In the past, Ankara has helped the National Congress Party and the SAF but its drone diplomacy in Chad has also been effective. Turkish experts have been training Chadian soldiers in Faya-Largeau and Abéché. Acting as a mediator could boost Turkey's standing with the west – especially in relation to the UAE – expand its influence on Libyan affairs and enhance its strategic presence in the Sahel. ●

## ZIMBABWE

# U-turn deepens currency confusion

**Officials say growth may rebound to 6% up from 2% but the prospects are hampered by inflation, low revenues and tight reserves**

Adding to the mixed messages over who is setting economic, monetary and security policy, the Governor of the Reserve Bank of Zimbabwe (RBZ) **John Mushayavanhu** announced on 11 March that companies were free to use whatever exchange rate they preferred: between the year-old Zimbabwe Gold (ZiG) local currency and the US dollar. Within days that policy was reversed.

Addressing the Tourism Council, whose members are key foreign exchange earners, Mushayavanhu had pledged that the government's Financial Intelligence Unit (FIU) would no longer police the exchange rate compliance of businesses. This decision, he said, was based on the Monetary Policy Statement of 6 February.

After Mushayavanhu's statement, the ZiG started depreciating again – to

ZiG36 to US\$1 from ZiG32 to \$1. The Reserve Bank quickly responded: 'taking note of the confusion regarding the exchange rate determination for pricing' and clarifying that the exchange rate is determined by the interbank market, which is determined by authorised dealers (i.e. banks) and 'no other business entity...should determine the exchange rate'.

Since then, the parallel rate hasn't moved. By 1 April it was still ZiG36 to \$1 and the state-approved 'official' exchange rate was ZiG26.76 to \$1. But the sharp depreciation of the ZiG – falling to ZiG26.76 to \$1 from its launch rate of ZiG13.56 to \$1 – has been blamed on excessive money supply, wide-ranging inflationary pressures and persistent shortages of forex. All those reinforced a lack of confidence in the currency.

Formal retail businesses have been advocating for a floating exchange rate for months. Many stores owned by groups such as OK Zimbabwe and N. Richards Group, have been forced to close branches. In January, Denford Mutashu, President of the Confederation of Zimbabwe Retailers, cautioned that the dual currency system was unsustainable.

Until the announcement, businesses were compelled by the FIU to accept payments in ZiG at the official rate of ZiG26.60 to \$1. This is despite most of their expenses, such as imports, fuel and services, being paid in US dollars, which they struggle to buy at the official rate. The punitive Intermediated Money Transfer Tax on electronic payments – as ZiG is primarily available only electronically – combined with the costly licensing and compliance requirements for formal businesses, means that few are operating at a profit. Bigger retailers, mandated to use the official rate, complain of unfair competition from unlicensed traders using the parallel market (AC Vol 65 No 22).

The ZiG exchange rate has stabilised, but the episode raises more questions than it answers. Why does the governor of the RBZ appear to contradict himself within a week? Who is responsible for policy decisions? How long can formal businesses continue to operate when they are unable to afford both the licensing requirements and the cost of stocking their shelves?

Due to these questions and policy inconsistencies, companies and individuals are still using the US dollar for over 70% of local transactions, according to central bank data and World Bank economists (Dispatches 14/2/24, AC Vol 65 Nos 9 & 17).

## REBOUND

Despite that backdrop and other serious problems, the IMF, the World Bank and finance ministry in Harare say economy could rebound to 6% GDP growth this year. The economy expanded by only 2% in 2024. Gross foreign exchange reserves, recently improved to over \$500 million, still cover less than a month of imports. This limits the central bank's ability to intervene in the currency markets. Mushayavanhu has spent over \$400m trying to shore up the value of the ZiG since its introduction.

According to Citi's chief Africa economist David Cowan, government borrowing from the central bank to finance 'quasi-fiscal operations' is likely to continue, until the political will is found to end what remains a significant driver of inflation via excessive growth

## HOW FARMS, FOOD AND MINES SHAPE THE BUDGET

Food shortages are more pressing than inflation statistics for many Zimbabweans. Food prices have risen sharply following last year's drought. The 0.5%, 'fast food' taxes introduced in the 2025 budget are further straining family budgets. Finance Minister Mthuli Ncube argues that the tax will cut consumption of highly processed foods and will boost public health.

Other revenue measures in Ncube's budget in January got mixed reviews. MPs criticised the reinstatement of duties on some healthcare products, suspended during the Covid-19 pandemic. But some – such as a 10% withholding tax on sports betting, and deferment of VAT on capital imports for the energy sector (already applied to agriculture, manufacturing, mining, aviation and health) were welcomed.

That could boost power generation and transmission. The latest projections suggest a worsening power shortfall for households, mining, industry, and farming, partly due to increasing demand. Officials don't expect a repeat of last year's droughts, which cut farm output by 15% and also hit hydropower at the Kariba Dam.

The budget's revenue projections partly rely on projected 6% GDP growth, 12.8% agricultural growth, and a 10.6% rise in power generation. Ncube says his irrigation rehabilitation plans will boost productive, irrigable land, boosting output.

Reliable electricity is essential for the mining industry, which accounts for about half of national power demand. But miners are increasingly using power imports from Southern African Development Community (SADC) neighbours. Ncube expects increased production of gold (now at a record US\$3,000 an ounce), diamonds, chrome, nickel and platinum group metals to drive 2025 mining sector growth of 5.6% and boost revenues.

Commodity prices remain volatile, with a weak outlook for platinum. Zimbabwe produces around 10% of global platinum output. Recently, platinum's share of national exports has been about half that of gold and similar to that of tobacco. With industrial economies competing for critical minerals, Zimbabwe is focusing on increasing lithium production and processing. But the country's reserves, are less than 2% of the global total, far behind major producers like China, Chile, Australia and Argentina.

The 2025 budget plans include a lithium processing operation in Mappinga, Mashonaland West, supported by two 375MW power plants. Additionally, a base metal refinery is to be established by domestic platinum producers.

The state-owned Kuvimba Mining House, now controlled by the opaque Mutapa Investment Fund, has been negotiating a Chinese-financed lithium processing plant at Buhera, using lithium from the Sandawana mine. Kuvimba also plans to invest \$950 million in lithium, gold and platinum projects (AC Vol 65 No 15). Lithium prices are highly volatile, and technological advancements can swiftly alter the value of specific minerals.

Relatively low lithium prices have prompted Zimbabwean producers to request flexible royalty rates tied to export prices. This could ease financing for new lithium mines or help companies repay investors. However, it would also make state revenues more unpredictable. Due to lower prices, the government is bending the rules about requiring all lithium to be processed within Zimbabwe rather than shipping raw materials to China.

The budget projects strong growth in the farm sector and agro-processing, along with continued recovery in tourism, supported by the suspension of duties on the sector and better infrastructure.

State spending priorities are under debate after many departments had to cut non-wage spending. Allocations were also hit by ZiG depreciation, widening the gap between immediate spending needs and delayed revenue receipts.

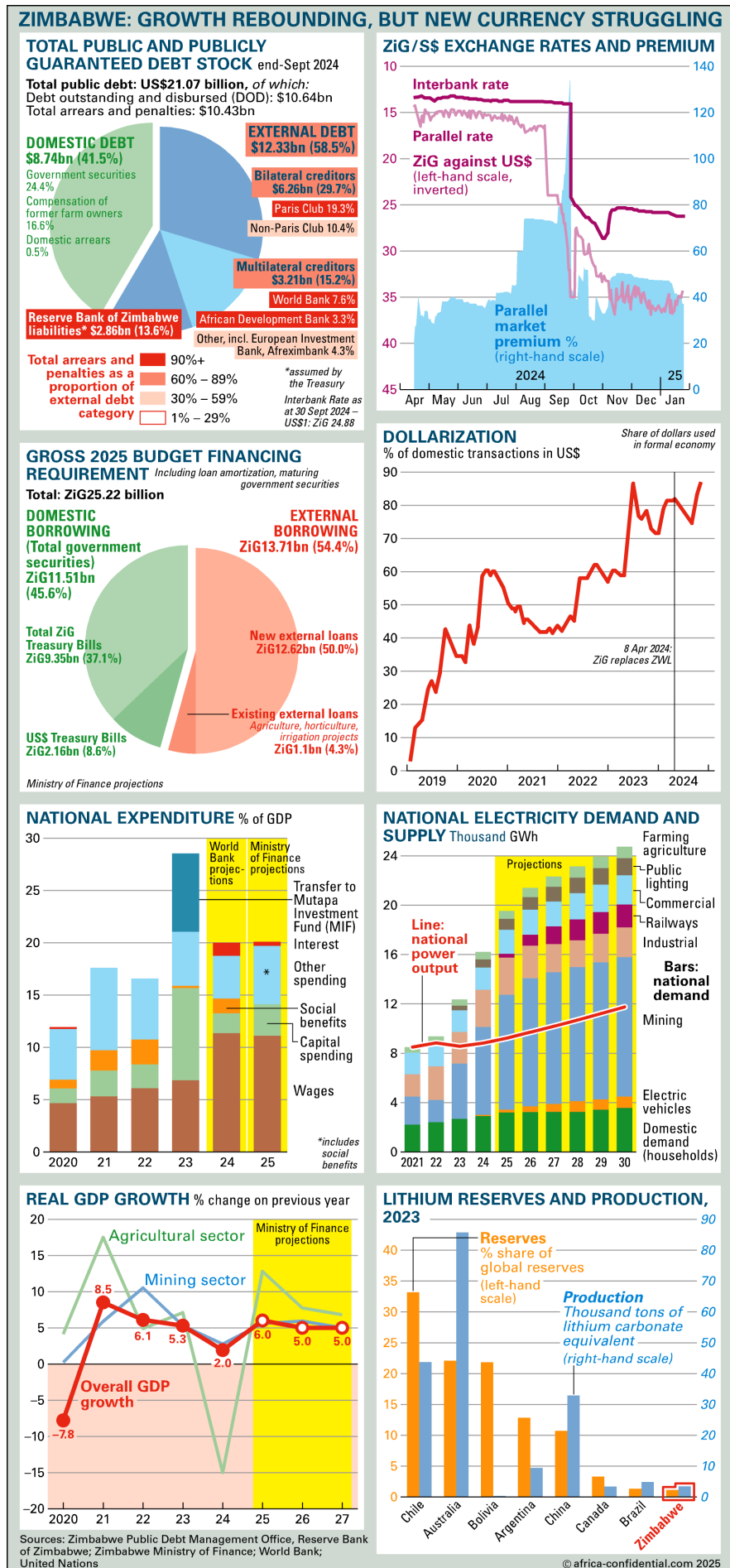
As before, the budget allocate the most to education (20%) and public health (10%), followed by agriculture and defence. Under the 2025 fiscal framework, national revenues are projected to be almost a fifth of GDP. But 56% of revenues go to public sector salaries, violating the fiscal rule limiting salaries to half of revenues. With other recurrent expenditures and debt payments, less than 15% of the budget remains for capital spending.

The government aims to reduce the percentage of revenue spent on salaries and increase capital spending but faces heavy political push back. Inflation will continue to drive upward pressure on state salaries, including a US\$ component (Dispatches 6/11/24). ●

in the money supply. Last year, this borrowing undermined RBZ attempts to control liquidity, slow inflation and it

pressured the new currency.

Ending the RBZ 'quasi-fiscal activity' would be key under an IMF



Staff Monitored Programme (SMP); as in other economies where treasuries have used central banks to finance budgets). This year, more borrowing than planned might be necessary to cover a projected financing gap of just under \$1 billion (ZiG25.2bn) in the ZiG 276.4bn 2025 national budget, should the Treasury's revenue projections fall short. An alternative would be more cuts to capital spending.

Inflation remains in double digits month-on-month in local currency terms, prompting the central bank's monetary policy committee to maintain the policy interest rate at 35% last December. This rate contrasts with the 20% when the ZiG was introduced; but two years ago under the previous Zimbabwean dollar iteration interest rates were running at 200%.

With the RBZ promising to review policy 'in line with exchange rate and inflation developments', there is now little scope for rate cuts. Banks' lending interest rates exceed 40%. In its latest monetary policy statement, the central bank says monetary policy 'remains supportive' of 'envisaged growth of 6% in 2025'. This implies the monetary policy committee may consider rate cuts if growth stalls.

President Emmerson Mnangagwa and Finance Minister Mthuli Ncube have to face harsher global conditions, particularly US-China tensions, which may undermine demand for Zimbabwe's exports. The suspension, or cessation, of US Agency for International Development (USAID) funding, which provided \$300m for Harare's public health programmes last year, will also hit budgets.

#### WASHINGTON PROBLEM

Mnangagwa and his Zimbabwe African National Union-Patriotic Front (ZANU-PF) government have been courting United States President Donald Trump's administration. In coordination with the African Union, they have hired Washington lobbyists to push for the lifting of US sanctions against the ZANU-PF government, particularly the block on funding from the IMF and World Bank (AC Vol 66 No 1).

Harare hopes that offering the US preferential access to its mineral reserves will strengthen its case. Harare plans to intensify its diplomacy once the new Assistant Secretary of States for Africa, probably Peter Pham, is appointed. But US Africa policy specialist Joshua Meserve, a senior fellow at the Hudson Institute, which compiled the Project 2025 manifesto for Trump, notes that the Mnangagwa government is still perceived as 'anti-American'. ●



## ZIMBABWE

# War vets lead charge against Mnangagwa

**The national stayaway exposes the growing schism in the ruling ZANU-PF as the President tries to extend his rule**

The 31 March protest – in the form of sporadic demonstrations across the country and a national stayaway – unleashed a fresh wave of anger against President **Emmerson Mnangagwa** from within the ruling Zimbabwe African National Union-Patriotic Front (ZANU-PF), the military and sundry opposition groupings.

War veteran leader and ZANU-PF Central Committee member, **Blessed ‘Bombshell’ Geza** may have deterred. More civilians from joining the public protests after he warned about police violence being planned against protestors. Police marksmen killed at least six protestors in the wake of the disputed elections in 2018 and tens of oppositionists have been abducted, some detained and some murdered, since then.

But for many the extent of the stayaway and suspension of economic life spoke loudly about political conditions.

Schools and businesses remained closed, supermarkets in Mutare and

other towns emptied their shelves in case of looting, and car dealerships in the capital relocated expensive vehicles. The Federation of Eastern and Southern African Road Association advised truck drivers to avoid non-essential trips. Commuter omnibuses did not run, vendors stayed away and traffic was minimal. Police set up roadblocks on main routes into town, searching vehicles for weapons.

## SKIRMISHES

Earlier in the morning, a small group of protestors gathered at Robert Mugabe Square in Harare but were swiftly dispersed by police. They reassembled around midday on Rotten Row, between the Magistrate’s Court and the headquarters of the Zimbabwe African National Union-Patriotic Front (ZANU-PF), barricading the road with stones, chanting ‘2030 Taramba’ (‘We have rejected 2030’). Minor skirmishes between police and protestors broke out in the afternoon but were mainly non-violent.

That night, Geza released a statement praising citizens for staying away and announcing the suspension of further action. He said intelligence sources had told him that Major **Sean Mnangagwa**, the president’s son, had imported explosives to attack seven targets and frame the protest leaders, then justify a military crackdown.

The country had been jittery. In the week leading up to 31 March, police were heavily deployed across central Harare and other towns, including smaller towns like **Zvishavane** (population 59,000). Convoys of police trucks patrolled the streets, with extra roadblocks established between towns. Weapons such as swords, knobkerries, and spears were banned in Harare.

On 27 March, Home Affairs Minister **Kazembe Kazembe** announced that security services were on high alert, followed by a statement on 29 March condemning ‘acts of terrorism and violence’, allegedly orchestrated by a fringe group outside the country. On 30 March, provincial Joint Operations Command groups issued warnings of ‘punitive legal action’ against protestors. State Security Minister **Lovemore Matuke** confirmed security forces had been deployed nationwide.

A police source revealed that officers were given extra rations – 1kg of beef, 2kg of maize meal, and a bag of potatoes per station, barely enough for one meal – to galvanise their efforts in suppressing

## SHUFFLING AND FACTIONS

Facing mounting pressure from dissenting factions, President **Emmerson Mnangagwa** has made further leadership changes this month to consolidate power. After replacing the Police Commissioner General and the Director-General of the Central Intelligence Organisation earlier this year, and appointing close ally **Lovemore Matuke** as Minister of State Security last year, Mnangagwa has now replaced the Commander of the Zimbabwe National Army (AC Vol 65 No 25 & Vol 66 No 4).

Lieutenant General (Rtd) **Anselem Sanyatwe**, a **Constantino Chiwenga** ally, who took command of the Zimbabwe National Army in 2023, was transferred to the Minister of Sports, Arts and Culture, replacing Olympian **Kirsty Coventry**, now chair of the International Olympic Committee. A very public demotion, this switch removed Sanyatwe from direct military influence. As Commanding Officer of the Presidential Guard in 2018, he oversaw troops who fired live ammunition at protestors, killing at least eight civilians. Sanyatwe was sanctioned by the **United States** in 2019 and by the **United Kingdom** in 2021.

Lt Gen **Emmanuel Matatu**, who replaces Sanyatwe, is not aligned with Chiwenga. A veteran of the Zimbabwe People’s Revolutionary Army from the Liberation War, Matatu is close to Defence Forces Commander **Valerio Philip Sibanda**, also a Zipra veteran. By contrast, Chiwenga and Sanyatwe are from the rival Zimbabwe African National Liberation Army. While Sibanda’s support for Mnangagwa is unclear, his rivalry with Chiwenga makes a coup unlikely. Matatu is expected to align with Sibanda. Mnangagwa’s shift towards Zipra risks narrowing his support base, aligning him with a group that historically opposed him due to his role in the 1980s Gukurahundi genocide targeting Zipra dissidents and Ndebele civilians.

The regime has renewed its focus on war veterans’ welfare. The Presidential Special Advisor on Investments **Paul Tungwarara** and Minister for War Veterans **Douglas Mahiya** have toured provinces to launch the Presidential War Veterans’ Fund, offering cash payments, food baskets, bicycles, and support for agriculture and poultry projects, all presented as gifts from the president. The government claims to have allocated US\$150,000 to each province.

**Ethan Mathibela**, chair of a faction of the Zimbabwe National Liberation War Veterans Association, dismissed the initiative as ‘too little, too late’. He added that veterans back **Blessed Geza**, support the constitution, and reject the ‘corruption, tribalism, dynasty and nepotism’ of Mnangagwa’s rule. On 17 March, Zimbabwe African National Union-Patriotic Front (ZANU-PF) youths disrupted Mathibela’s press conference in Bulawayo, chasing off the war veterans. The Zipra War Veterans Association also declared support for Geza, calling ZANU-PF ‘a danger to itself and a toxic liability to Zimbabwe’.

Meanwhile, the Zimbabwe National Liberation War Veterans Association, led by **Cephas Ncube**, denounced Geza in January and held a press conference in Masvingo on 28 March, urging Zimbabweans to ignore calls for unrest. This faction was elected in an emergency congress in October 2024, where **Chris Mutsvangwa** was ousted as chair with only 11 votes (AC Vol 65 No 23). ●

## THE IRRESISTIBLE RISE OF KUDAKWASHE TAGWIREI

A key beneficiary of the infighting in the ruling party is **Kudakwashe Tagwirei**, a quintessential oligarch and close ally of the Mnangagwa family. Tagwirei was sanctioned by the US Department of the Treasury on 5 August 2020 for grand corruption, including materially assisting senior Zimbabwean government officials and benefiting from state contracts. Having amassed a fortune of over a billion dollars through state-linked business dealings, Tagwirei has transitioned into a direct political role as a member of the central committee of the Zimbabwe African National Union-Patriotic Front (ZANU-PF). His clout stems from his financial ties to President **Emmerson Mnangagwa**, who was sanctioned on 4 March 2024 under the Global Magnitsky Human Rights Accountability Act for corruption and human rights abuses.

Tagwirei has gained notoriety via his Sakunda Holdings, which held a monopoly on fuel importation and sales. Through Sakunda, he accessed funding from the government's Command Agriculture programme.

Sakunda was compensated for supplying agricultural inputs for Command Agriculture in government bonds, which it redeemed at a favourable exchange rate, prompting the Reserve Bank of Zimbabwe to print money to cover the payout.

The company also secured several controversial tenders, including the Dema Power Plant in 2016, despite losing the tender process and lacking experience in electricity generation. The directive to override the better offers reportedly came from President **Robert Mugabe's** office (AC Vol 58 No 4).

In collaboration with the president's son-in-law, **Simba Chikore**, Sakunda obtained a licence to import duty-free diesel for the power plant. But the plant became defunct due to fuel shortages, and Sakunda faced accusations of selling the duty-free diesel at its own filling stations for profit. Tagwirei, who had close ties to the Mugabe family, repositioned himself after the 2017 coup, aligning with the Mnangagwa faction and forging a relationship with the new First Family.

During the Covid-19 pandemic, Sakunda secured a licence to renovate two hospitals for Covid-19 patients using state funds. The facilities were reserved for the elite. Medical staff said that admission required Tagwirei's authorisation.

He also wields power in the mining sector. In 2019, through Sotic International and Landela Mining Ventures, Tagwirei acquired Freda Rebecca Gold, Shamva gold mine, Great Dyke Investments (platinum), majority shares in Bindura Nickel and Zimbabwe Alloys (chrome), as well as Sandawana, Elvington, Jena and Golden Kopje, producing minerals, including gold, emeralds, nickel, and lithium.

In 2020, the mines were transferred to Kuvimba Mining House, with 65% state ownership and 35% privately held by Pimbi Resources, a company controlled by Tagwirei's family. When Mnangagwa established the Mutapa Investment Fund as Zimbabwe's sovereign wealth fund, the state's 65% stake in Kuvimba was incorporated into Mutapa. In February 2024, Mutapa acquired Tagwirei's 35% share for a staggering US\$1.6 billion in Treasury Bills (AC Vol 65 No 15).

Tagwirei controls about a third of the shares in CBZ Holdings, one of Zimbabwe's largest banks. When the Zimbabwe Commodities Exchange was established in 2022, CBZ secured the largest share (35%), further entrenching Tagwirei's influence.

In December 2024, he was appointed Chair of the Land Tenure Implementation Committee, granting him authority over issuing official tenure documents to farmers, significantly boosting his influence in agriculture. Due to his close ties with the First Family, Tagwirei is invited to key political discussions. On 30 March, the Masvingo Provincial Coordinating Committee recommended Tagwirei's appointment to ZANU-PF's Central Committee, its organising body. The Harare PCC echoed this recommendation the following day.

For Tagwirei, this is both a milestone and a risk. Joining the Central Committee elevates him from financier to decision-maker, making him accountable for the party's performance – especially if a revolt against Mnangagwa succeeds. As long as Mnangagwa remains president, Tagwirei is poised to wield influence in both parastatal boardrooms and ZANU-PF committee rooms. ●

postponing the 2028 elections. Party branches and individuals, especially those close to the First Family, supported ED2030. The ZANU-PF Annual Conference in October made Mnangagwa's term extension its top resolution (AC Vol 65 No 23, Dispatches 6/11/24 & Dispatches 5/2/25).

Dissatisfaction with the ED2030 proposal, coupled with growing anger at the First Family and their associates' corruption and ostentatious wealth, has fuelled an anti-Mnangagwa movement within the ruling party and the military. Such sentiments are sharpened by the dire economic conditions, mass unemployment and food shortages.

In February, a disgruntled Geza released a video criticising the Mnangagwa family's corruption and calling for the president's resignation. Police officers tried to arrest him and questioned his wife, but Geza remained at large, shielded by powerful allies. He released several well-produced videos denouncing the president and urging action. Last month he donned combat fatigues and called for mass protests on 31 March, rallying supporters under the banner of the M31 Movement.

### CHIWENGA IN POSITION

The anti-Mnangagwa group purports to support the candidacy of Vice-President **Constantino Chiwenga** for the top job. Chiwenga played a key role in the 2017 coup that ousted Mugabe and installed Mnangagwa. But recently Chiwenga has stepped up criticism of Mnangagwa, chastising the 'tenderpreneurs' around him, including the flamboyant businessman **Wicknell Chivayo**, at a funeral in January (AC Vol 66 No 4). Clips of Chiwenga rolling his eyes or glowering at Mnangagwa circulate. So far, he hasn't publicly aligned himself with Geza's oppositionists.

Senior military officers and political figures have been discussing Mnangagwa's removal, reaching out to civil society and opposition groups to explore a transitional arrangement. One figure involved told *Africa Confidential* that the issue was no longer whether Mnangagwa should be removed but 'how to coordinate a national unity government to replace him'. Participation in these fora has been constrained. State security is suppressing opposition and civil society through the Private Voluntary Organisations Amendment Bill, infiltration, and repressive laws. Mnangagwa's strongest base within the state remains the security services, favoured with special salary arrangements and fast-track promotion within party structures.

In the early hours of 28 March,

the protest. Local media reported police officers received US\$50 incentive payments into their accounts, and all leave for police and military personnel was cancelled that night.

The latest schism within ZANU-PF began in late 2024 with the launching

of a faction known as ED2030 which wanted to campaign for President Mnangagwa to extend his term beyond the constitutional limit of two five-year terms, allowing him initially to remain in office until 2030. This would require amending the constitution and



properties linked to oligarch and kingmaker **Kudakwashe Tagwirei**, former Reserve Bank of Zimbabwe governor and Mutapa Investment Fund chair **John Mangudya**, and Chivayo, were targeted by arsonists. Old vehicles were parked outside Tagwirei's business in Newlands, a petrol station linked to Tagwirei in Highlands, Chivayo's business in Avondale, and Mangudya's business complex in Goromonzi. These vehicles were then set alight and

abandoned.

The three men are among the top 10 of a list of 34 people named by Geza as 'Enemies of the people of Zimbabwe' in a 26 March video. It denounced political and economic figures close to the president and First Family, many implicated in corruption scandals. That night, Geza released another video, calling the fires 'the signal'.

People are debating whether the fires were set by Geza's supporters to

warn those targeted or by regime allies to justify a crackdown on protesters and alleged coup plotters. The burned cars shared registrations with vehicles recently missing from the Harare City Council's impounded vehicles lot, probably accessed by government officials rather than rogue war veterans. No property was damaged, and no injuries were reported. Later that night, Geza's home in Sanyati was petrol-bombed and destroyed by unknown assailants. ●

## NIGERIA

# Tinubu bets the farm on Rivers State

**Determined to control the state's politics and oil before the 2027 elections, the President has suspended an opposition governor**

In the latest twist in the power struggle to control Rivers State, the two leading protagonists – Governor **Siminilayi Fubara** and his predecessor **Nyesom Wike** – both appear to have lost. Fubara has lost his job and Wike has lost the opportunity to name his replacement, who could have ensured his continued influence in the state.

Instead, the winners are President **Bola Ahmed Tinubu** and his National Security Advisor **Nuhu Ribadu**: both are dabbling in provincial politics and with good reason. Rivers is the second richest state in the federation and produces over half the country's oil. For political and economic reasons, Tinubu is determined to control Rivers State ahead of the 2027 elections and doesn't trust either Fubara or Wike to do it for him.

For now, Tinubu's and Ribadu's tactics are working. They used the pretext of a pipeline attack to declare a state of emergency, then they suspended Fubara for six months and installed a sole administrator, a retired naval officer (Dispatches 24/3/25).

Thanks to Tinubu's chief of staff, **Femi Gbajabiamila**, former speaker of the House of Representatives, the state of emergency declaration and Fubara's suspension sailed through the National Assembly. The inducements offered, and accepted by the law makers in both houses, are known as 'the distribution' in National Assembly parlance.

Tinubu and Femi Gbajabiamila exert nearly total control on the legislature with full collaboration of the speaker of the House of Representatives, **Tajudenn Abbas** and the President of the Senate **Godswill Akpabio**. Currently battling accusations of sexual harassment by Senator **Natasha Ukpoti-Uduaghan**, Akpabio has enjoyed strong support

from Tinubu as he tries to get Ukpoti-Uduaghan recalled by her constituents.

The core battle in Rivers between Fubara and Wike escalated on 18 March, when militants targeted oil assets in the Niger Delta. Two pipelines, including the Trans-Niger Pipeline, the country's second most important trunk line, were set ablaze, halting exports for over a day. Full restoration of service will take two weeks.

The explosion came just after Shell transferred the Trans-Niger Pipeline and other onshore assets to the Renaissance Consortium, which purchased Shell's remaining local holdings for US\$1.3 billion (AC Vol 65 No 3). It was a baptism of fire for Renaissance, which had promised to significantly boost oil production. Oil output in Rivers State is key to Tinubu's target – to raise national output to 2 million barrels a day (b/d).

## HIGH STAKES

Since 2023, Fubara has been feuding with Wike, the former governor of Rivers State who is now in Tinubu's cabinet as Minister of the Federal Capital Territory. Wike chose Fubara as his successor in 2022 after striking agreements on appointments and political financing. He now accuses Fubara of renegeing on those deals. A lot of money is at stake. An oil industry source suggested that governors of oil states would have a daily budget of US\$5 million a day (AC Vol 65 No 21 & Vol 64 No 23).

When Governor Fubara broke away from these agreements, Wike threatened to launch an impeachment against him. Given that Wike controls the loyalty of the state parliament, that's entirely possible. This threat escalated tensions, culminating in the bombing of the parliament house. A Supreme Court

ruling authorised the state legislature to proceed with the impeachment.

This led to Fubara's kinsmen from the Ijaw-speaking areas of Rivers State to threaten to destroy pipelines. Fubara comes from Opobo, the home of King **Jaja**, a legendary anti-colonial fighter. But Fubara is made of more moderate cloth and has done surprisingly little to resist the usurping of his power in Rivers State.

Abuja blamed the pipeline explosion on Fubara's allies. But the opposition Peoples Democratic Party (PDP) claimed that Wike's allies orchestrated it to justify a state of emergency. Whoever was responsible, Tinubu sided with Wike, accusing Fubara of failing to maintain law and order. Retired Vice Admiral **Ibok-Ete Ekwe Ibas**, a former chief of naval staff from Cross River, has been appointed sole administrator of Rivers State in Fubara's place.

The Nigerian Bar Association (NBA), trade unions, the opposition and activists, including Nobel Laureate **Wole Soyinka** – one of Tinubu's allies – condemned the move. Former President **Goodluck Jonathan** lambasted the proclamation. The NBA and other lawyers say the state of emergency clearly breaches the constitution.

Yet there is a lack of organised opposition to it. Some in the 'Rescue Rivers' campaign complain that Fubara has discouraged an activist campaign against the emergency. Neither have the opposition parties done much to spotlight the cause.

The case has reached the courts, with lawyers arguing the constitution allows the president to impose a state of emergency but does not give him the authority to suspend elected officials. The PDP Governors' Forum has also filed a case with the Supreme Court.

In reality, the case could be tied up in courts until the state of emergency expires. And the plan in Abuja may be to extend the state of the emergency as the nation approaches election season in 2027. A security report from the Tinubu administration accusing Fubara of sponsoring militants may prolong the state of emergency. The sole

## HOW THE GOVERNORS' FIGHT CONCENTRATES OPPOSITION MINDS

The battle for power in Rivers State may have spurred the opposition parties to become more serious, prompting more merger talks. **Atiku Abubakar**, a former Vice-President and seasoned presidential contender, has announced a coalition with **Peter Obi** of the Labour Party and former Governor **Nasir El-Rufai**, who recently left the ruling All Progressives Congress (APC) for the Social Democratic Party (SDP) (AC Vol 66 No 1). Atiku, a member of the main opposition PDP, is expected to leave the party soon due to a prolonged crisis partly fuelled by former governor **Nyesom Wike**. Court rulings have repeatedly thwarted PDP's attempts to convene meetings or address internal issues.

Wike, known for his generosity towards judges, enjoys strong judicial support, which may explain his succession of the legal victories. He has revoked land owned by **Julius Berger** in Abuja to construct homes for judges and given luxury vehicles to support their official duties. All those inducements were roundly criticised by civil society groups, including Transparency International.

With the PDP in disarray, Atiku and his allies are expected to leave the party soon, followed by Obi, whose Labour Party has faced its own crisis for 19 months (AC Vol 64 No 25). Former President **Olusegun Obasanjo**, a staunch critic of **Bola Tinubu**, is guiding the opposition's efforts, say insiders.

The debate over the coalition's presidential candidate remains a significant concern, with the potential to determine the opposition's success. Many believe the presidency should remain in the south until 2031, adhering to the zoning arrangement that alternates power between the north and south every eight years.

Atiku, the PDP's most influential figure, is a Muslim northerner, while Obi is a Christian southerner. Atiku's associates claim he is willing to serve for a single term before handing over to Obi. Meanwhile, **Bala Mohammed**, the influential Bauchi State governor and chair of the PDP Governors' Forum, is also a contender for the presidency.

The strategy is to secure votes in the Muslim north and the Christian south, with Tinubu's team claiming an advantage. At least 91 groups have applied for party registration, likely fragmenting and weakening the opposition. Rivers State, the second wealthiest after Lagos and home to the third-largest oil reserves, remains politically pivotal. Over the past decade, it has been central to opposition politics, with former Governor **Rotimi Amaechi** financing **Muhammadu Buhari's** successful 2015 APC campaign.

In 2019, as Rivers State governor, Wike was the main financier of the opposition PDP until his 2023 fallout with Atiku. Analysts say Tinubu's control of Rivers has weakened the opposition, with his appointed administrator, **Ibok-Ete Ekwe Ibas**, managing state finances bolstered by federal funds. Ibas has dismissed **Siminilayi Fubara's** appointees and plans local elections, likely solidifying APC's grassroots dominance. Wike, now committed to Tinubu's 2027 re-election, undermined Atiku in the last elections by leading four PDP rebel governors, arresting Atiku's allies and obstructing his campaign in Rivers State where the PDP secured just 16% of the vote. ●

administrator has begun investigating Fubara for corruption.

### ECONOMY

For Tinubu to stand a chance in the next election, he must stabilise the economy. Over the past year, Nigeria's oil production has risen by approximately 500,000 barrels a day. Major oil

companies including Shell, Mobil, Eni and TotalEnergies have sold their onshore assets to local players, which now control 50% of oil assets.

This shift is also expected to boost local production and maintain the flow of petrodollars. But peace in the Niger Delta is essential for higher oil production and currency stability.

For now, the Niger Delta, responsible for over 80% of Nigeria's crude, is volatile, with trade unions and community groups threatening protests. Police have banned demonstrations and arrested instigators. The major risk for Tinubu is that the state of emergency could escalate, jeopardising efforts to boost oil revenues and stabilise the economy. ●

## MOZAMBIQUE

# After the fight, Frelimo runs out of ideas

**President Daniel Chapo and challenger Venâncio Mondlane sign an accord but have no political plan in sight**

**B**y releasing 4,800 political prisoners and calling off the riot police, Frelimo has admitted defeat, but it can't negotiate a national unity government. After six months of post-electoral unrest, Mozambique's President **Daniel Chapo** of the ruling *Frente de Libertação de Moçambique* (Frelimo) party, has finally struck a deal with his main opponent, independent **Venâncio Mondlane**.

The two men had no prior dialogue until their first meeting on 23 March, which yielded greater concessions than anticipated. Mondlane called for

'an end to violence and persecution of my supporters, Frelimo members or FDS agents. Enough of the "law of retaliation".' Both sides agreed to an immediate cessation of violence.

Since last October's election, at least 350 civilians have been killed and 3,500 injured, largely from police-inflicted gunshot wounds (AC Vol 66 No 1). They include at least eight killed in the protests at Chapo's inauguration on 15 January. The peace agreement includes free medical assistance, as well as social and psychological support, for the injured and families of those who

died. It stipulates that all the detained protestors, who number more than 4,800, will be released.

About two weeks earlier, on 6 March, Mondlane said he had survived an assassination attempt while Frelimo was signing a deal with opposition parties to end the violence. The agreement allowed for pardons to be granted to detained protestors only on a case-by-case basis. Mondlane rejected it, calling it 'an agreement of people without people' – signed in their name but without their support. Instead, he rallied his supporters in the capital, Maputo, where police opened fire on his caravan, killing two children in an attempt to 'disperse' his supporters.

The deal with Mondlane signals a U-turn from Chapo. On 24 February, in a speech in war-torn Cabo Delgado province, Chapo equated the protestors to the insurgents. He said that 'even if there has to be bloodshed to defend the nation against the demonstrations,

we will have bloodshed'. Now, he says he is open to listening to Mondlane's ideas. He has already been accused of copying parts of Mondlane's manifesto in a bid to win popular support, such as reducing Value Added Tax on certain goods.

Mondlane insists he won the election. Analysts argue that the unprecedented level of fraud makes it impossible to verify, but the evidence raises doubts about Frelimo's victory (AC Vol 65 No 21). The *Partido Otimista pelo Desenvolvimento de Moçambique* (Podemos), on whose ticket Mondlane ran, has since taken up its Parliamentary seats and condemned the unrest. Mondlane says he will establish his own party.

### 'UNGOVERNABLE'

Civil society analysts and Frelimo progressives are hopeful that the deal struck on 23 March will succeed. Mondlane's cooperation is key because they say continued unrest has rendered the country 'ungovernable'. Demonstrations against Frelimo continued even in traditional party strongholds such as Gaza province, exposing its lost support. Hardliners' efforts to ignore Mondlane failed.

But the delay may have helped Frelimo. Many tired of the disruption. People want to return to work and salaries. They also accept that Frelimo's control over the electoral apparatus, security forces and judiciary is nearly insurmountable. Police aggression and legal cases against Mondlane have worn down the movement. Mondlane had little option but to disrupt. Short of mounting a coup d'état, he cannot force Chapo out of office. Mondlane has now accepted this.

But months of unrest have damaged the country. Chapo has to end the chaos to govern. He faces strong opposition: Mondlane may have lost some support, but it hasn't all returned to Frelimo. Mondlane's unprecedented challenge to the party's hegemony has changed Mozambican politics. Frelimo is widely seen as losing its legitimacy.

Some argue that major reforms are essential to forestall more protests against Frelimo. But many doubt Chapo's ability to deliver them. Frelimo's dominance in Parliament overshadows the opposition benches, while Podemos MPs lack influence or experience, having been elected primarily due to their association with Mondlane rather than compelling manifestos. Frelimo reformers are unhappy with Chapo, we hear, saying 'he is bringing nothing new'. They don't believe Chapo will uphold his side of the bargain with Mondlane. Frelimo has a history of breaking promises, a longstanding grievance for the former main opposition party, Renamo.

Chapo must now focus on governing, but Frelimo insiders describe his position as precarious. With Mondlane no longer a scapegoat for the country's problems and no funds for policies to appease voters, Chapo will struggle to consolidate power. His predecessor, Filipe Nyusi, left the country on the brink of bankruptcy.

Mozambique is weighed down by debt. The government relies on Treasury Bills to finance basic consumption. On 28 March, ratings agency Moody's downgraded the country's local currency rating to Caa3, citing delays in domestic bond payments and swap auctions, which it considers equivalent to default.

Concerns over external debt default are eased only by Mozambique's record of prioritising Eurobond repayments.

The unrest has exacerbated severe economic and fiscal problems. Months of violence have left the government with the task of rebuilding state infrastructure, including the many police stations and schools destroyed. At his inauguration, Chapo pledged to cut the cost of government, including scrapping the Vice-Ministerial positions. But so far, no savings are evident. Money is being spent differently: such holding party meetings in the provinces instead of Maputo.

The loss of aid funding from the United States, after President **Donald Trump's** plan to cut the US Agency for International Development (USAID), is a further blow. It provided more than US\$650 million to Mozambique in 2023, according to its now-deleted website (AC Vol 66 No 5). A glimmer of hope came for big oil in March with the approval of a \$4.7 billion loan from the US Exim Bank to **French** oil giant TotalEnergies for its Mozambique liquefied natural gas project (Dispatches 24/3/25). Sources at the Ministry of Mineral Resources are confident that Total will soon restart development, paving the way for ExxonMobil to announce its Final Investment Decision.

This could attract more investors, but Frelimo insiders are warning that Mozambique may see limited revenues at this stage. Concessions granted to Total for costs incurred during the Cabo Delgado insurgency are likely to significantly reduce the country's share.

Chapo talks of 'renewing hope for Mozambicans'. But hasn't explained where the money will come from. ●

## SOUTH AFRICA/US

# New envoy for the MAGA minefield

**President Ramaphosa wants to soothe tensions with the Trump administration but Washington has appointed a hard-liner to South Africa**

**T**he choice of the United States's new Ambassador to Pretoria – **Leo Brent Bozell III** – dispels any notion that President **Donald Trump's** administration might dial down its position on South Africa having claimed its first scalp in the form of declaring African National Congress loyalist **Ebrahim Rasool** persona non grata as ambassador to Washington DC.

Bozell III heads the US Agency for Global Media which controls the state-backed Voice of America radio

and television. Until Trump decided to defund it, the VOA has been used by successive US administrations to project soft power, counterposing it against Beijing and Moscow. He also founded the Media Research Center, dedicated to rooting out liberal bias in journalism. It's hard to imagine a US envoy much less in sympathy with the ANC's world view. Bozell is all but certain to be confirmed by the US Senate.

Chairing the Senate Committee on Foreign Relations is **Jim Risch**, who has

called for South Africa's expulsion from the Africa Growth and Opportunity Act (AGOA) which comes up for renewal in September. That threat has prompted European governments, already South Africa's biggest trading partners, to increase commercial incentives (AC Vol 66 No 6). Membership of AGOA affects about US\$7 billion of South African exports to the US.

That reality will inform President **Cyril Ramaphosa's** choice of ambassador to Washington to replace the expelled Rasool. To the frustration of the Democratic Alliance, the ANC's leading partner in the Government of National Unity, the final choice is Ramaphosa's alone. The debate over Pretoria's envoy to Washington reflects wider arguments over power-sharing between the ANC and the DA, which complains it has been largely excluded from foreign policy (AC Vol 66 No 1).



Ramaphosa is getting considered advice, both on the envoy and on how Pretoria could reset its relations with the US. The central aims are to stop South Africa-US economic ties breaking up: bilateral trade is worth about \$20bn a year and over 100,000 jobs in South Africa, less in the US (AC Vol 66 No 4). We hear **Chris Landsberg**, chair of diplomacy at the University of Johannesburg and senior advisor to Foreign Minister **Ronald Lamola**, is leading a team to reshape the country's diplomatic positioning in the US.

Ramaphosa's business associates are urging him to prioritise economic diplomacy, to use SA-based company executives and to talk directly to US businesses and investment funds. These associates are taking a lead from the Hudson Institute, the conservative US think tank that produced Project 2025 which has turned out to be a political handbook for the second Trump administration, despite strenuous denials all round. The author of the brief Africa chapter in Project 2025 is former US envoy to the Great Lakes **Peter Pham**, who is set to be announced as the Assistant Secretary of State for African Affairs next month.

On South Africa, the Hudson Institute wrote: 'Robust commercial engagement is currently the US's best tool for competing with China in Africa so it would be rash to sacrifice this leverage. This is especially true as South Africa, the dominant economy in the region, is the gateway to Southern Africa.'

## CONTENDERS

There are four top contenders for the ambassador to Washington post.

(1) Deputy Justice Minister **Andries Nel** is favoured for the envoy job by many senior ANC officials. As an ANC veteran, he tops the list of contenders and is a trusted Ramaphosa ally. A former deputy minister of local government, he was close to the late **Pravin Gordhan** and worked in Ramaphosa's Luthuli

House office at the ANC headquarters. An ANC insider and experienced lawyer who understands both the party and the wider issues he would face in the US, Nel ticks many of the boxes.

An ANC insider who worked with Nel at Luthuli House told us that Nel was seen as a good option after Rasool's expulsion: 'he is softer and white and Afrikaner and this may help. He will not sell us out, has a sharp legal mind, is neither rash nor abrasive, and not a radical.' Nel also knows two of the ANC presidential hopefuls, **Paul Mashatile** and **Fikile Mbalula**. He has a reputation for hard work, keeping a low profile and loyalty, said another senior ANC source, 'even opposition parties respect him, and he is also married to an African American.'

Some ANC top officials take a more fatalistic view, 'whatever we do we are not going to win'. They see an inevitable collision with the Trump administration over the government's land expropriation law, Black Economic Empowerment, and South Africa's genocide case against Israel at the International Court of Justice. 'We must wait it out and not go the populist route ... Trump is transactional, and it would compromise what we stand for,' one told us.

(2) Chief Executive for Goldman Sachs in Africa, **Colin Coleman**, is being pushed by those businesspeople who argue the new envoy should adopt an economic diplomacy strategy. Born in South Africa, Coleman has close ties to Ramaphosa and sits on an economic advisory group in the presidency.

Goldman Sachs invited Ramaphosa to be keynote speaker at annual meeting in Johannesburg in February. Coleman also chairs the Youth Employment Service and speaks passionately about the jobs crisis. A former banker colleague attested to Coleman's integrity and commitment but questioned how he would take to diplomacy: 'Colin is a good candidate... but is he ambassadorial? I'm

not sure.' Coleman's family has strong anti-apartheid credentials; his brother Neil joined the Congress of South African Trade Unions (Cosatu), working for their economic unit for decades. After elections last May, Coleman was in the running for a ministry in the Government of National Unity as one of Ramaphosa's discretionary appointments.

(3) **Marthinus van Schalkwyk** is an experienced diplomat and a not overtly partisan choice. After leaving national politics, he served as ambassador to Greece and Australia. He was the last leader of the National Party and Premier of the Western Cape before joining the ANC and serving in **Thabo Mbeki's** cabinet. Like Nel, he is an Afrikaner but more politically centrist.

(4) Former DA leader and ambassador to Argentina **Tony Leon** would go down well in Washington but his nomination would rile senior ANC figures. DA Chair **Helen Zille** would support Leon's appointment. He has sternly criticised the ANC's diplomatic strategy and its exclusion from foreign policy in the GNU. Leon's networks might build bridges with the Trump administration. His former speech writer, **Joel Pollak** is South African-born and now editor-at-large at Breitbart News, the conservative media outlet run by former Trump advisor **Steve Bannon**.

Pollak, one of the leading US-based critics of ANC policy on Black Economic Empowerment and Israel, was in the running to be Washington's ambassador to Pretoria before Trump appointed Bozell. It was Pollak, from his monitoring of South African developments, who publicised Rasool's characterisation of the Trump administration as 'white supremacist' on a webinar that led to the envoy's expulsion. Much less reported was Rasool's earlier progress in negotiating a deal with US officials to allow **Elon Musk** to operate Starlink in South Africa without adhering to the equity-share provisions of the Black Economic Empowerment law. ●

## GHANA/US

# Populist Agyapong loses \$18 million in defamation battle

## Investigative journalist Anas chalks up a historic win in New Jersey court against presidential contender

A United States court has awarded Ghanaian investigative journalist **Anas Aremeyaw Anas** US\$18 million in damages, including \$8m in punitive damages, after ruling that populist former New Patriotic Party (NPP) legislator **Kennedy**

**Agyapong** defamed him. The dispute stems from remarks made by Agyapong in 2021, following Anas's 2018 BBC investigation into football corruption across Ghana and Africa. Anas's documentary, *Betraying the Game*, was a groundbreaking exposé. Among its

revelations, the film featured allegations that several high-ranking officials from the then ruling New Patriotic Party (NPP), were 'open to financial influence in exchange for official favours' (AC Vol 64 No 17 & Vol 62 No 5).

In media appearances, including a

2021 podcast, Agyapong accused Anas of being a 'criminal' and falsely implicated him in the 2019 murder of journalist **Ahmed Hussein Suale**. Anas's complaint in the US court states that Agyapong also published Suale's photos, home address, and identity – revealing details of the undercover journalist's life that had been kept secret – and 'openly called for his assault'. Suale, a key member of Anas's Tiger Eye team behind the *Betraying the Game* investigation, had uncovered major corruption, exposing traffickers, murderers, corrupt officials, and High Court Judges. Their bold, anonymous reporting earned them widespread acclaim, both in Ghana and internationally, but also created powerful enemies.

Seeking justice, Anas filed a lawsuit in New Jersey. According to his complaint, Agyapong, a former US permanent resident, owns property in West Orange, Essex County, New Jersey, and has business interests across other parts of the US. On 18 March, an eight-member jury in Essex County Superior Court upheld an earlier verdict, finding Agyapong guilty of defamation.

In 2023, Anas lost a similar legal battle in Ghana's High Court. Justice **Eric Baah** dismissed the case, harshly criticising Anas, stating: 'Based on the

evidence, the defendant [Agyapong] was justified in labeling the plaintiff as evil, criminal, corrupt, a blackmailer, and an extortionist.' The Media Foundation for West Africa condemned the judge's remarks, saying: 'We find it rather worrying that a judge will formulate his opinion of a journalist's work in such abusive and slanderous terms.'

Anas appealed to the Supreme Court, alleging bias and seeking to overturn the judgement. However, a five-member panel, led by Chief Justice **Gertrude Torkornoo**, ruled: 'There is nothing in the judgment... that shows the trial judge was biased or showed any prejudice against the applicant in the judgment given on March 15, 2023.' Two justices, **Yonny Kulendi** and **Amadu Tanku**, dissented from the majority ruling.

Anas has celebrated the US court decision as a victory for press freedom and investigative journalism. The ruling rejected claims from Agyapong's legal team that the case should not have been filed in the US. Agyapong's lawyers also contended that the remarks made on the podcast were simply exaggerated opinions and not subject to defamation laws.

However, despite the resolution in the US, the legal battle may be far

from over in Ghana. Lawyers in Accra caution that enforcing the US judgement in Ghana could prove challenging, particularly given previous rulings by Ghana's Superior Courts in similar cases.

Ghanaian law permits foreign judgements to be set aside if enforcement would contravene public policy or if the issue had already been definitively settled by another court with jurisdiction prior to the foreign ruling. However, Anas's legal team is unlikely to pursue enforcement in Ghana. Given Agyapong's property and business interests in the US, enforcing the judgement there is expected to be more practical than in Ghana.

The outcome of this case is likely to have far-reaching implications, both for Agyapong's future and for the wider issues of press freedom and accountability in Ghana. If the award is enforced in the US, Agyapong's lifestyle and political ambitions could face significant risk, with the potential seizure of his US assets. A prominent businessperson and key financier of the NPP, Agyapong had sought the party's presidential nomination for the 2024 elections but was defeated by Vice-President **Mahamudu Bawumia** (Dispatches 9/11/23). ●

## GHANA/IMF

# Mahama's plans clash with IMF strictures

**After winding up the tortuous debt deal in June, the government will be hemmed in by creditors and multilateral banks**

**T**he end of Accra's debt default tunnel is nigh. After signing a memorandum of understanding with the official creditor committee, Ghana is forecast to end the restructuring of its foreign debts by the middle of this year. The MOU, now agreed with 25 creditor countries, offers Ghana \$2.8bn in debt relief until the end of next year. The final hurdle is resolving the \$2.7bn arrears to private creditors. That means negotiating with about 60 smaller commercial banks.

Unlike the official creditors in the Paris Club or the Eurobond holders, which are corralled into committees to speed up the talks, the banks are a much more disparate group with which to negotiate. IMF officials are confident that this final stage of debt restructuring will stay on track. Officials in Accra expect to finalise these negotiations by the end of June.

But Ghana's debt inflows are set to

remain low until 2029 – averaging \$1.3bn a year or half the pre-2022 default levels. This is mainly because it will struggle to regain access to the international bond markets. This complicates President John Dramani Mahama's ambitious economic plans – the development of a 24-hour economy, focusing on agro-processing, pharmaceuticals and construction to drive higher growth and employment. Ahead of that, Mahama's government has to cut inflation and the budget deficit while raising revenues to stay on track with Ghana's \$3bn IMF extended credit facility (ECF) programme.

On the campaign trail, Mahama pledged he would renegotiate the terms of the IMF deal. And his National Democratic Congress, which won 183 out of the 275 seats in parliament in national elections last December, can claim it has an overwhelming mandate to do that (AC Vol 65 Nos 6 & 25).

Teasing more concessions out of the IMF will be arduous. It faces pressure in several highly indebted African countries such as Kenya which has just announced it will pull out of its IMF programme, then negotiate a new one. Many see this as a ploy by President William Ruto's government to avoid IMF spending strictures in the two-year run-up to the next election. Mahama's problem is different. This is his second and last term: his government's capacity to borrow will be strictly constrained in the aftermath of the debt restructuring deal. And with the United States government's tougher line on International Financial Institutions, the IMF's own room for manoeuvre will be cut too.

After his January appointment, Mahama's Finance Minister Cassiel Ato Forson suggested seeking more IMF finance and external funding to ease reliance on local borrowing, which remains costly despite cuts in Treasury bill rates (AC Vol 65 No 22).

No details have emerged of what the IMF could add to its Ghana programme. After its fourth review in April, Ghana could unlock a further \$360 million. That would leave only the final \$360m, expected in 2026, under Ghana's ECF programme.

IMF staffers visited Accra from 10-14

## GHANA: GOVERNMENT TARGETS PRIMARY SURPLUS AS BORROWING COSTS FALL

### GHANA 2025 BUDGET

As presented by the finance minister on 11 Mar 2025

**Projected revenues** **Planned and deficit** **expenditures**  
Cedi 268.8bn (\$17.8bn converted at rate of Cedi 15.1/US\$)  
Budget planned to be 19.2% of GDP

**Projected revenues**  
Cedi 224.9bn  
(83.7% of Budget):

Total 2024 appropriation = Cedi 291.0bn (incl. arrears clearance, external debt amortization)

Tax revenue (non-oil) 67.6%

Grants 1.0%

Non-tax revenue (non-oil) 6.0%

Oil revenue 6.1%

Other revenue 2.9%

Grants 1.0%

**Projected deficit**  
Cedi 43.8bn  
(16.3% of Budget, 3.1% of GDP)  
Commitment basis  
(projected cash deficit Cedi 56.9bn)

Wages/employee compensation 28.5%

Interest payments 23.9%

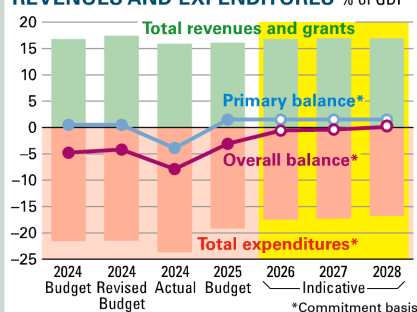
Capital expenditure 12.2%

Grants to other government 'units' 20.3% (including health, education and infrastructure funds, local districts, Ghana National Petroleum Corp.)

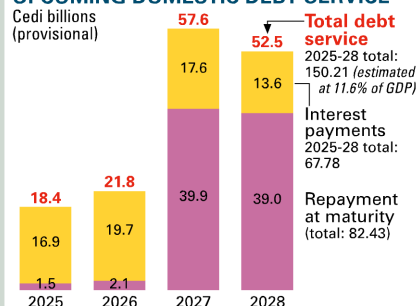
Use of goods and services 2.6%

Other 12.5%

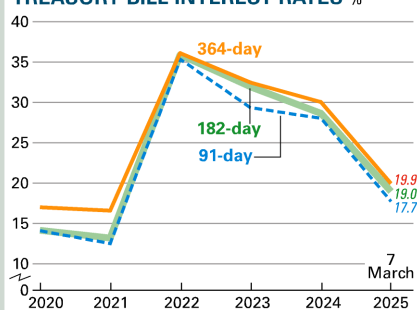
### REVENUES AND EXPENDITURES % of GDP



### UPCOMING DOMESTIC DEBT SERVICE

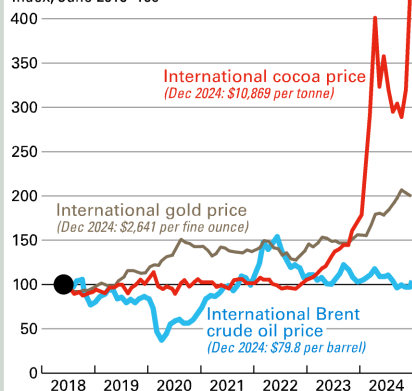


### TREASURY BILL INTEREST RATES %

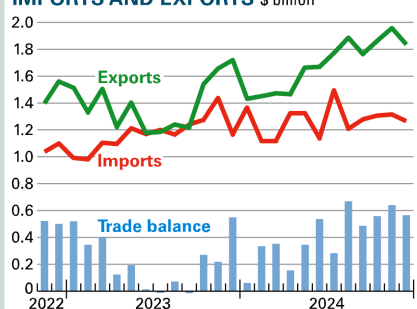


### COCOA, OIL & GOLD PRICES

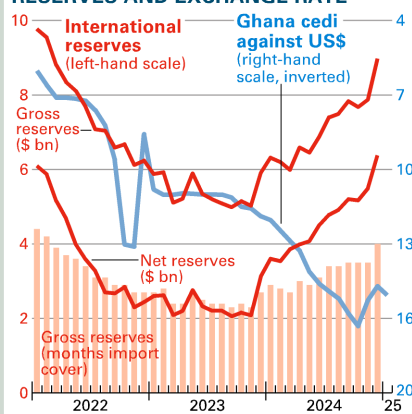
Index, June 2018=100



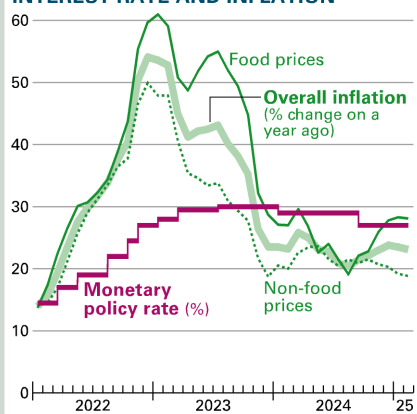
### IMPORTS AND EXPORTS \$ billion



### RESERVES AND EXCHANGE RATE



### INTEREST RATE AND INFLATION



Sources: Bank of Ghana; Ghana Statistics Agency; Ministry of Finance

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February to discuss the 2025 budget and 'recent macroeconomic developments' with Forson, Mahama, central bank governor Johnson Pandit Asiamah, and others. Mahama says discussions have started on adjustments to the IMF programme, but no details have emerged.

The IMF's December 2024 review of Ghana's progress was largely positive. But Forson insists that the New Patriotic Party's economic mismanagement will become clearer in the upcoming assessment. He claims reports of missed targets for structural reforms, inflation, and social protection spending are likely, alongside a failure to meet the 2024 primary balance surplus target of 0.5%. His 11 March budget speech blames most of the country's economic woes on NPP mismanagement.

Local think-tanks and bankers say Mahama, who rejects a break with the IMF, will largely have to adhere to the IMF terms. Sometimes, the Fund overlooks missed targets for committed reformers. Yet Ghana's ECF is central to its debt restructuring and its ability to secure external financing – including concessional funds from the World Bank. That really narrows Mahama's options.

Ghana's ECF programme was critical for creditors joining the G20 Common Framework debt restructuring plan. The continuing IMF discussions are closely tied to those negotiations. The sensitivity of the external bond market – it reacted quickly to Forson's warnings about rising energy sector debts – highlights the programme's importance to Ghana's future borrowing costs and efforts to regain access to international bond markets.

Ghana's Debt Sustainability Analysis (DSA) in December 2024, prepared by the IMF and World Bank, describes the negotiations as 'good faith efforts' by the government in accordance with the IMF's 'lending into arrears' policy and Ghana's ECF programme.

The IMF now characterises Ghana's debts as 'sustainable' – contingent on restructuring the remaining non-Eurobond external commercial debts – but it still sees the country as being at 'high risk of' debt distress. This is driven by spending pressures, a history of fiscal underperformance, and rising debt service obligations during the four years of Mahama's second full presidential term.

According to Forson's 2025 budget, this includes external debt service of \$8.7bn and domestic debt service of 150.3bn cedis, both heavily concentrated in 2027 and 2028. The finance ministry estimates debt service up to 2028 could reach 22.5% of GDP, with 10.9% of GDP



allocated to external debt payments. Ghana's sinking fund remains severely depleted.

Adding to this are rising energy sector debts, noted in the IMF's last Ghana review, as a 'major source of fiscal risk'. The sector faced a far

greater financial shortfall in 2024 than projected, with the government and the Electricity Company of Ghana owing hefty sums to independent power producers and gas suppliers, alongside looming repayments (AC Vol 66 No 5, Mahama's government goes private).

Ghana Cocoa Board (COCOBOD) also faces financing strictures and its net income is a key factor in Ghana's DSA. Forson says that COCOBOD is expected to repay over a third of its 32bn cedi outstanding debts this year, adding to fiscal strain. ●

## SIERRA LEONE/NETHERLANDS

# Doubts that Bio's government will arrest cocaine kingpin

**The Chief Immigration Officer was sacked for his links to Jos Leijdekkers but some diplomats believe the convicted drug smuggler is still being protected in Sierra Leone**

**A**lusine Kanneh, Sierra Leone's Chief Immigration Officer, has been dismissed as questions about his relationship with notorious cocaine smuggler Jos Leijdekkers have mounted and evidence of past dishonesty has accumulated, although other officials, including the President's daughter are untouched.

Kanneh was sacked after video emerged of him receiving a birthday gift from the drugs smuggler, but Agnes Bio, a daughter of President Julius Maada Bio and the convicted smuggler's partner, remains fully accredited to the Sierra Leone Permanent Mission to the UN in New York, officials confirmed to *Africa Confidential*.

Leijdekkers was sentenced to 24 years in prison in the Netherlands for cocaine smuggling and ordering a killing.

No official reason was given for Kanneh's dismissal on 7 March, but President Maada Bio was prompted to act by seeing the video of Kanneh receiving a 50th birthday present from Leijdekkers. This was the second video showing the two men together. Kanneh had previously denied knowing Leijdekkers.

Meanwhile, the Dutch government, which demanded Leijdekkers's return on 6 February, is showing signs of impatience with Freetown. Dutch Justice Minister David van Weel said there are 'strong indications that he [Leijdekkers] is still in Sierra Leone' in a 6 March statement (AC Vol 66 No 4).

Officially, a manhunt is in progress in Sierra Leone, but the police have provided no updates for over a month. And the authorities have refused to state unequivocally that they would return him if he was found. Sierra Leone Attorney-General Alpha Sesay is said still to be 'studying' the papers on Leijdekkers supplied by the Dutch government.

Pressure on the government to act on Kanneh had been rising ever since

footage of him and Leijdekkers at a nightclub on 1 January 2024 emerged in January and *Africa Confidential* uncovered proof he had bought three houses in the United States for US\$1.9 million (AC Vol 66 No 3).

Kanneh has implied to Sierra Leonean media that he earned the money as a successful businessman, but we have been unable to trace any business in Kanneh's past, including a mining venture he frequently mentions, from which he could have accumulated such sums.

President Maada Bio may not have done enough to distance his administration from Leijdekkers, who was pictured on New Year's Day this year, sitting two rows behind the President and his wife in the company of Agnes Bio.

Suspicion remains that Leijdekkers's links went far beyond his relationship with Agnes Bio and his friendship with Kanneh. In the last two years he has been seen openly socialising throughout upper circles in Freetown under his false name of Omar Sherif. Other senior officials, including in law enforcement, have been seen in Leijdekkers's company.

## NORWEGIAN CONNECTION

The man just sacked as Sierra Leone's Chief Immigration Officer has a record of involvement in scams and scandals in Norway, where he was a refugee, as well as back home, where he served as an MP for the ruling Sierra Leone People's Party (SLPP) from 2012 until 2023.

He was elected for the ruling SLPP in the Nomo and Tonkia chiefdoms

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## KANNEH AND THE BOGUS GOLD MINE

**Alusine Kanneh** once had a key role in a **Norway**-based scheme to mine gold in Sierra Leone which failed, costing a Norwegian investor US\$1.2 million in cash and his industrial excavators and dump trucks.

In 2019, Bravura SA, a Norwegian company run by ex-Special Forces soldier **Tommy Fjeldheim**, became interested in gold-mining in Sierra Leone. Kanneh obtained for Bravura a 'small-scale' mining licence in 2022 having been given 15% of the shares and a retainer of \$1,000 a month, according to Norway's *Dagens Næringsliv* newspaper. However, the area the licence covered was included in a larger mining concession applied for earlier by another company, as Bravura was soon to discover.

The Norwegian investor, **Inge Morten Tronstad**, was assured that Bravura would soon receive a licence for the entire concession and would extract gold worth 120 million kroner (\$11m) as early as 2023 and another NOK180m the following year.

Tronstad went to Sierra Leone to operate the machinery he had contributed to the gold project in addition to his cash, but found out that Bravura's licence was invalid. Tronstad went to recover his machinery and store it in a safe place but after removing one vehicle, he was detained by armed police officers under instructions, according to local media, of Kanneh, which Kanneh strongly denies. Tronstad was threatened and beaten up. Eventually, he returned to Norway and sued Bravura. Bravura denies any wrongdoing. Kanneh denies any role in this and told the Norwegian media he was himself cheated by Bravura and received nothing and had himself considered suing Bravura.

However, Kanneh told the local media seeking an answer to where he had obtained the cash to buy three houses in the United States that it came from the high profits from the Bravura operation. He even told the local media it was he who bought the excavators and other equipment Tronstad had provided.

In December, a district court in Norway ordered Bravura to repay Tronstad his NOK13m (\$1.2m) and compensate him for the loss of the mining equipment, but Bravura put in an appeal which they won. Tronstad says he is still intent on fighting the case. ●

in a formal handover ceremony. Instead, they found only about half the work they had put \$160,000 towards had been done.

Again Kanneh disclaimed all responsibility, saying the contractor had stolen part of the money without his knowledge. The contractor recommended by Kanneh could not be found and has not been mentioned since.

### CHEQUERED

Kanneh's reputation as a constituency MP was poor. Constituents protested that he never set up a constituency office despite receiving government funds to do so, and in 2020 they complained that theirs was the only district in the nation without a secondary school.

President Maada Bio had made 'Free Quality Education' a key plank of his re-election campaign, but constituents said Kanneh refused to push their case in Freetown. Kanneh's chequered career as an MP came to an end after he failed to win the local SLPP primary but by then his nomination as chief immigration officer was assured, we hear.

The origin of the \$1.9m Kanneh spent on US properties thus remains a mystery since it could not have been from the businesses he claims he made money from.

Kanneh has yet to reply to our email query asking how he could have afforded the houses on a civil servant's salary despite promising us an explanation.

Although Kanneh is now out of public office, he remains a member of the SLPP. Pundits remain puzzled why President Maada Bio took so long to act against him and what made him appoint a man with a chequered career as an MP and no experience in immigration matters. ●

of Kenema District in 2012, also serving as the party's deputy chief whip in parliament. Having resided in Norway for so long, Kanneh is fluent in Norwegian and has used his local contacts in business, mainly for a dubious gold-mining project (see box).

In 2022 a storm broke after a Norwegian charity financed a

hospital project in Nomo on Kanneh's recommendation, only to find it had not been completed and \$66,000 had been pocketed by the contractor recommended by Kanneh, who was also Kanneh's constituency chairman.

The charity only discovered the deception when a delegation came to the site in person expecting to participate

## LIBYA/FRANCE

### Claims of secret deal with Gadaffi in Sarkozy's corruption trial

31 March

**Prosecutors say ex-French president got campaign funds from Tripoli before NATO bombed Libyan leader**

The trial of former President Nicolas Sarkozy, who may face a seven-year sentence if convicted on corruption

charges, is shedding light on France's backchannel talks with the government of ousted Libyan leader Colonel Moammar Gadaffi.

Financial prosecutors have accused Sarkozy of having promised to lift the arrest warrant against Gadaffi's brother-in-law and intelligence chief **Abdullah el Senoussi** in exchange for campaign finance. Senoussi was convicted in absentia and given a life sentence by a Paris court in 1999 for the bombing of UTA Flight 772, a passenger flight by French airline *Union de Transports Aériens* which was destroyed by a suitcase bomb in 1989.

Sarkozy protests his innocence, stating at the start of the trial 'you'll not find one Libyan euro, one Libyan cent in my campaign.' He added: 'There's no

corruption money because there was no corruption.'

Gadaffi's son, **Seif al Islam**, who harbours ambitions to become President of Libya, told *Radio France Internationale* in January that he was personally involved in signing off US\$5 million in cash to the Sarkozy campaign ahead of 2007. The arrangement was, he said, that Sarkozy would 'conclude agreements and carry out projects in favour of Libya.'

Whatever the nature of the discussions on campaign cash, they didn't stop Sarkozy from turning his back on Gadaffi four years later. In 2011, Sarkozy co-led the campaign with **United States President Barack Obama** and **United Kingdom Prime Minister David Cameron** to launch a no-fly zone over

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Libya when Gadaffi was threatening to carpet bomb civilian areas in Benghazi, a key centre of opposition during the Arab Spring (AC Vol 52 No 7). In March 2011, Sarkozy's government was the first western state to recognise the National Transitional Council as the legitimate government of Libya.

## MAURITIUS

# Ramgoolam targets super rich to balance the books

31 March 2025

**War of words on corruption embarrasses Britain as it pays \$11.7bn on new military lease in Diego Garcia**

Complaining about inheriting a battered and debt-ridden economy, Prime Minister Navinchandra Ramgoolam is planning radical new tax incentives to attract more foreign capital and get wealthy investors to set up family offices on the island to expand its key financial services sector. Officials in Port Louis are worried that the island is losing its status as a gateway to Africa and an offshore financial centre to states such as the United Arab Emirates.

Ramgoolam's government also has to cut a hefty budget deficit and debt burden left by the former government. After a decade in opposition, Ramgoolam returned to power last November and has been lambasting the record of former premier Pravind Jugnauth (Dispatches 12/11/24). He has sacked the central bank governor and treasury officials.

Yet associates of Jugnauth say that Ramgoolam has yet to answer questions about his conduct when he

was in government a decade ago. Claims of financial impropriety under both governments could embarrass Britain, which is due to pay Mauritius at least £9 billion (US\$11.7bn) for leasing the island of Diego Garcia for a British-United States air base in the Indian Ocean. Earlier this year, Ramgoolam's officials said the lease may cost much more but appears to have revised its demands.

Last December, Ramgoolam accused Jugnauth of practising 'voodoo economics', after commissioning an audit into the state of public finances. He cut the economic growth forecast for 2024 from 6.5% to 5.1% and reported that the Jugnauth government had wrongly claimed that the budget deficit for 2023/24 was 3.9% rather than 5.7%.

Mauritius's public debt burden was revised: officials reported it was 83% of GDP in June 2024 rather than the 77% of GDP claimed by Jugnauth. The government has issued an arrest warrant for former finance minister Renganaden Padayachy.

Junior finance minister Dhaneshwar Damry has said that the government wants to 'tap into the ultra-wealthy segment,' as part of its plans to cut its deficit and debt burden.

'We are going to continue to focus on real estate as a priority sector but there will also be other priority sectors,' he added. These are likely to include financial services, with the government hoping to turn Mauritius into a transactions hub. Data from the Mauritian central bank shows that the property sector accounted for 70% of inflows of foreign-direct investment in the nine months of 2024.

## UNITED STATES/AFRICA

# The Trump tariffs on 2 April will call time on the AGOA free trade bill

31 March

**Loss of trade concessions will marginalise the US as a market for many African exporters**

The round of tariffs due to be imposed by the United States across the world on 2 April signals the end of the African Growth and Opportunity Act (AGOA), according to several economists in Africa. Many governments in the region are working on an assumption that the tariff reliefs under AGOA won't operate between now and the law's review by the US Congress in September.

'AGOA is finished. It is dead in the water,' says Alex Owino in Nairobi, a former advisor to Kenya's Treasury under President Uhuru Kenyatta. AGOA will be formally torn up in September when it is due to expire, adds Owino.

The cost of AGOA to the US is marginal. But it cuts across President Donald Trump's preference for bilateral trade agreements and distaste for multilateralism and bodies such as the World Trade Organization in Geneva. Yet little progress has been made on negotiations for a Kenya-US trade deal under Trump's first presidential term or that of Joe Biden. Even if such a deal had been sealed, it may have challenged regionally by the East African Community and the African Continental Free Trade Area.

The Center for Global Development, a Washington-based think tank, estimates that AGOA costs the US about US\$250 million a year in foregone tariffs, or about 2% of US aid to Africa before the recent cuts. The law was introduced by George W Bush's administration in 2000. It gives over 30 African states tariff and quota-free access to the US market (Dispatches 25/2/25).

Prior to Trump's inauguration, many political analysts had expected him to keep AGOA intact as a means to rival China's trade influence in Africa. A bipartisan bill seeking to extend AGOA has been in Congress for more than a year but stalled ahead of November's presidential elections (Dispatches 16/4/24).

As a bill passed by Congress, AGOA should carry more legal weight than a president's executive order. But challenging its legitimacy in the US would require a court case or Congress defying Trump. That would require collective action by a group of African states, companies or US politicians: none of that looks likely.

The tariffs are paid by the US importers of African goods, not the African traders. Yet the tariffs will depress the market for African exporters by increasing costs and bureaucracy.

These losses will come on top of the cuts in public health and other funding from the US Agency for International Development. USAID cuts could take as much as 7% of Kenya's national income. That translates to about \$750m and the loss of about 35,000 jobs.

Imposing more tariffs on African exports and ending AGOA in Congress will further marginalise the US economic and commercial presence in Africa, mainly to the benefit of China, the European Union and Britain – and will offer more opportunities for countries such as India, Turkey, Russia and the United Arab Emirates to



expand strategic and commercial ties with the continent.

Only **Lesotho**, which Trump mentioned derisively in his speech to Congress on 6 March, and **Eswatini** trade more with the US than with Europe or China.

## MOZAMBIQUE/US

# Clashing with America First policy, US Eximbank makes biggest loan ever to France's TotalEnergies

24 March

**Lambasted by Trump supporters, the US credit bank may help Exxon Mobil mega gas project in Cabo Delgado**

Initially TotalEnergies' use of Washington lobbyists to push through a vital US loan for its US\$20 billion gas export project in Mozambique's Cabo Delgado province back-fired. France's TotalEnergies had offered the lobbyists a bonus if they could secure Eximbank's approval for the loan before **Donald Trump** was sworn in. TotalEnergies assumed that Trump, like his America First supporters, would oppose lending to a French oil company but the old board of Eximbank deferred the decision. Then Trump used his patronage powers to appoint a new Eximbank board but to some surprise they approved the loan on 13 March.

It seems the new board was persuaded to make the \$4.7bn loan – the biggest in the bank's history – because it would expand fossil fuel production and US companies would get contract and jobs. Eximbank's official release plays down the financial benefits for France and Mozambique. It also omits details on the political security context – that the gas project is guarded by **Rwandan** troops against threats from jihadist insurgents operating in the provinces.

The loan may also will encourage Total's rivals also hoping to finance projects in the region (AC Vol 66 No 1). The loan decision was key to viability of the project on the Afungi peninsula, due to be relaunched in mid-2025.

The approval was the first by Eximbank since Trump's inauguration and will be followed by more fossil fuel projects. US Exim is also considering whether to fund a rival Coral North LNG project in Mozambique led by

**Italy's Eni.**

Some conservative US commentators such as the *Wall Street Journal*, have questioned why US Exim should finance a French-led project. Yet the approval of the loan, originally granted during Trump's first presidency in 2020, is vital to another project in Mozambique – by ExxonMobil. Back in 2020, US Exim had justified the loan by stating that without its support, **China** or **Russia** would finance the project.

Last month, a delegation from ExxonMobil held talks with Mozambique's President **Daniel Chapo**, still facing opposition over the disputed elections, and reaffirmed its commitment to its own Cabo Delgado project. That is the plan to develop an offshore LNG terminal known as Rovuma which has been repeatedly delayed (AC Vol 62 No 19). In November, Exxon pushed back its plans for a final investment decision on Rovuma to 2026.

Eximbank says the loan will support some 16,400 American jobs over the five years of the construction project. It adds that the cash will be used to support the engineering, procurement, and construction of the onshore LNG plant, related facilities, and offshore activities.

## SUDAN

# Burhan's forces capture presidential palace, tightening their grip on Khartoum

24 March

**After this latest loss, the UAE-backed Rapid Support Forces are now confined to Southern Khartoum**

After capturing the bombed-out Republican Palace in Khartoum on the banks of the Blue Nile, General **Abdel Fattah al Burhan's** Sudan Armed Forces (SAF) is celebrating a symbolic triumph. The cratered presidential palace was the last bastion of the SAF's rivals, the Rapid Support Forces, backed by the **United Arab Emirates**.

The RSF, led by General **Mohamed Hamdan Dagalo 'Hemeti'**, did not immediately acknowledge the loss after videos of SAF soldiers in the palace circulated on social media on 21 March. The UAE, which has received over US\$10 billion worth of smuggled gold from Sudan since the devastating war started, is coming under pressure to reconsider its backing for Hemeti.

Despite serial evidence from UN investigators and satellite photographs documenting UAE arms deliveries to the RSF, the Abu Dhabi monarchy denies any military involvement in the conflict.

The SAF will now try to chase all the RSF fighters from their remaining strongholds to the south of the capital that they seized at the start of the civil war in April 2023.

Burhan's forces have taken advantage of arms from **Egypt**, **Russia** and **Iran** to launch a prolonged offensive. The SAF hopes to take the last RSF strongholds around Khartoum and cut the logistical line, allowing supplies from the West via the Jebel Awliya road and bridge (AC Vol 66 No 4).

Burhan's latest victory won't make ceasefire more likely – at least in the short term. But it may boost the view that Burhan is now the main interlocutor – with the prospect of Hemeti's 'parallel government' being reduced to an expansive rump in Darfur.

The RSF holds swathes of territory in the west and is focusing its efforts, using arms from UAE shipped via **Chad** and **Uganda**, to take over El Fasher, the capital of North Darfur (AC Vol 66 No 5).

## NIGERIA

# President Tinubu uses emergency measures to take down opposition governor in oil-rich Rivers state

24 March

**Siding with his mercurial Abuja minister, Nyesom Wike, the president risks provoking more attacks on oil production**

President **Bola Tinubu's** imposition of a state of emergency in oil-producing Rivers State where crude pipelines have been damaged in a series of attacks has secured parliamentary support – but has been condemned as partisan politicking by the opposition.

Lawmakers in both chambers of the House of Representatives and the Senate approved Tinubu's appointment of a sole administrator for the state governed by opposition Peoples Democratic Party's **Siminalayi Fubara**.

PDP leader **Atiku Abubakar** described Tinubu's decision as 'unlawful' and an 'imposition of autocratic federal control over a duly

elected state government.' Tinubu has accused Fubara of doing little to prevent the pipeline attacks.

Close to 25% of Nigeria's oil production comes from Rivers State, and protecting the Trans-Niger Pipeline, the target of the attacks, is crucial to Tinubu's plans to boost oil exports. Quickly moving to guarantee

the pipeline's security, said state officials, was vital to retaining investor confidence.

But humiliating Fubara also carries real significance for Tinubu and his Minister for the Federal Capital Territory, **Nyesom Wike**. Wike, nominally still a member of the PDP, had appointed Fubara, then his protégé, to

succeed him as governor and defend his interests, only for Fubara to turn on his former boss (AC Vol 65 No 21 & Vol 64 No 23). Last month, Nigeria's Supreme Court ruled that Fubara had acted illegally when he governed the state without the majority of legislators loyal to Wike and ordered the central bank to withhold revenues to Rivers State. ●

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## POINTERS

## Gabon

OLIGUI IN, YAMA EXCLUDED

■ With trade unionist **Jean-Rémy Yama** disqualified from the 12 April first presidential ballot due to his inability to produce his father's birth certificate, defeat for **Brice Clotaire Oligui Nguema** – leader of the 30 August 2023 coup – is unlikely. His main opponent is **Alain-Claude Bilie-By-Nze** ('BBN'), **Ali Ben Bongo Ondimba's** final prime minister.

Widespread relief among Gabonese, including the political elite, eased Oligui's transition to power after the old regime's overthrow (Dispatches 30/8/23). The former general, now officially a civilian to meet candidacy requirements, has skilfully consolidated support, enlisting figures from the Bongo machine, opposition leaders like Deputy Prime Minister **Alexandre Barro Chambrier**, and respected activists such as rainforest campaigner **Marc Ona Essangui** (AC Vol 65 No 25).

Abroad, assiduous Gabonese diplomacy presented the 2023 putsch as not really a coup but a liberation from dynastic Bongo rule – a message that found a ready audience. Gabon avoided suspension from the *Organisation internationale de la francophonie* (OIF) and escaped criticism from the Commonwealth, which it had joined in 2022. **France**, battered by the confrontational approach of Sahelian juntas, has welcomed a coup leader eager to maintain close ties. A new security deal will see French and Gabonese military instructors working together at the soon-to-be-renamed Camp De Gaulle in Libreville.

Oligui has also worked hard to reassure external partners, secure funding for domestic projects and public services, and address outstanding obligations. Regional market funding last year yielded mixed results. In February the government raised US\$520 million through a costly new Eurobond, largely to ease short-term debt pressures by covering a \$318m obligation due this June. Last month, it allocated 19 billion CFA francs to settle arrears from the Bongo era owed to the World Bank.

## South Sudan

SALVA SIDELINES RIEK

■ Chaos surrounds the fate of South Sudan's First Vice-President **Riek Machar Teny Dhurgon**, whose arrest threatens to reignite war. On 26 March, his Sudan People's Liberation Movement-in-Opposition (SPLM-IO) party claimed the defence minister

## KENYA – EDWIN SIFUNA, 42-YEAR-OLD YOUTH ACTIVIST

**Edwin Sifuna**, Secretary-General of the Orange Democratic Movement (ODM) and Senator for Nairobi County, has cut a frustrated figure during the political manoeuvring that followed last June's Generation Z-led protests against Kenya's political class. At 42, Sifuna stands out as one of the few younger talents in a party dominated by septuagenarian men. Following the protests, he led the ODM faction opposing **Raila Odinga's** party accepting ministerial positions in President **William Ruto's** cabinet (AC Vol 65 No 16).

The coordination of the protests, which brought activists, many of them middle-class youth, out onto the streets in over 30 of Kenya's 47 counties, persuaded many that they marked the end of Kenya's ethnic identity-based politics dominated by elderly political scions. 'Every minister and politician had a family member who was involved in the protests,' remarked a senior MP.

Many within the ODM, including Sifuna, viewed the youth movements as a golden opportunity to defeat Ruto in the 2027 presidential elections. Initially, it seemed Sifuna might be forced out of his ODM position after being overruled by the party's heavyweights and Odinga, who instead accepted five cabinet posts in Ruto's government last July as part of an unofficial government of unity arrangement.

But Sifuna has remained in his role, continuing to criticise Ruto. In January, he called on ODM members supporting Ruto to quit the party. Weeks later, during an interview with Citizen TV, he declared that Ruto would lose in 2027, even with Odinga's support. 'As ODM, I'm telling you, and I've said it on this show, my position is that even if ODM supports Ruto, Ruto will still lose. ...I want to make it very clear that, as a party, we do not support either the internal affairs or the external affairs of this country as they are being run,' Sifuna said.

But in March, Sifuna's name appeared on the Framework Agreement, alongside **Cecily Mbarire**, leader of Ruto's United Democratic Alliance (UDA). The agreement formalised the arrangement between Ruto and Odinga to govern together until 2027 (AC Vol 66 No 6). Earlier, Sifuna had argued that Ruto's backing of Odinga's bid to become chair of the African Union Commission would not necessarily secure the ODM leader's political support for the government. Yet that is exactly what happened – although the AU bid failed.

The optimism and demands for radical change pushed by the Gen Z movement have been scuttled by the brutal crackdown, including the killing and abduction of dozens of activists. Several prominent campaigners have been co-opted by major parties. Among the most articulate and dapper Gen Z activists, **Kasmuel McOure** joined ODM as a youth leader last November, describing the party as the 'largest pro-people party' in Kenya and promising to revitalise its youth and student leagues. Others, such as Sifuna, may be waiting for the right moment. The ODM's deal with Ruto leaves some wriggle room for Odinga's party to withdraw and run their own slate of candidates in 2027. ●

and national security chief had 'forcefully entered' Machar's residence, confiscated all phones and laptops, and issued an arrest warrant.

Machar remains under house arrest with his wife and two bodyguards. The SPLM-IO argues the arrest invalidates the 2018 peace deal with President **Salva Kiir Mayardit**. Some view it as a ploy to sideline Machar and advance Kiir's succession plans, favouring **Benjamin Bol Mel**, a key financial advisor and intermediary with the **United Arab Emirates**.

Foreign diplomatic entreaties have made little impression. On 27 March, the **United States** urged Kiir to release his rival. 'It is time for South Sudan's leaders to demonstrate sincerity of stated commitments to peace,' Washington's Bureau of African Affairs wrote on X, adding that Kiir should 'reverse this action and prevent further escalation'.

Local analysts say that Kiir has

been manoeuvring to sideline Machar, dismissing several governors believed to be his allies. Over the weekend of 29-30 March, **Kenyan** statesman **Raila Odinga**, now part of a unity government with President **William Ruto**, was dispatched as an envoy to meet Machar and Kiir. However, Kiir blocked Odinga's access to Machar, re-directing him to Entebbe to brief **Uganda's** President **Yoweri Museveni**. Odinga says that he will not return to Juba without a guaranteed meeting with Machar.

Kiir's press secretary **David Amuor Majur** has denied that Machar and his wife **Angelina Teny**, who is also South Sudan's Interior Minister, are under house arrest, saying this is 'un-founded and does not accurately reflect the reality of the situation'. He also dismissed reports that Kiir had instructed Odinga to meet Museveni, describing this as a 'misrepresentation of diplomatic norms and principles'.