

# AFRICA CONFIDENTIAL

www.africa-confidential.com

6 September 2013 - Vol 54 - N° 18

## BLUE LINES

For a society so wedded to capitalism, Nigerians are notoriously ambivalent about their business leaders. Many assume that no giant of industry gets to the summit without shady deals with government and politicians. Others harbour a respect, oscillating between grudging and fulsome, for operators who persevere and launch commercial empires.

Now a new breed of business titan is emerging, a colleague in Lagos insists: 'We have gone from robber barons through cut-throat corporatism to philanthro-capitalism without passing Go.' He points to the boom in United States-style foundations financed by billionaires such as Aliko Dangote, General Theophilus Danjuma and Tony Elemelu, along with a new enthusiasm for longer-term productive projects.

Most spectacular is Dangote's project to build Africa's biggest oil refinery and fertiliser plant in south-west Nigeria. Announcing on 4 September that he had brought in US\$3.3 billion in syndicated loans from local and international banks, Dangote said his company would contribute \$3 bn. in equity and was raising the remaining \$3 bn. from other investors. The project is scheduled for 2016, after which Nigeria would no longer need to import petroleum products or fertiliser, he says. Having persuaded the Central Bank to lend about a third of billion dollars at a discounted rate, Dangote must be confident that the government will end the subsidy system that makes importing fuel so lucrative.

## GHANA

# The Court lowers the curtain

**The judges' finding for President Mahama raises as many questions as it solves but the focus will shift quickly to economic matters**

The final act lasted just 20 minutes. That is how long Justice William Atuguba, Chairman of the nine-member Supreme Court panel, spent on 29 August on delivering the judges' ruling in favour of President John Mahama. It followed more than eight months of argument over the legitimacy of last December's elections (AC Vol 54 No 15).

Politicians, civil servants, journalists and curious citizens had packed out the Supreme Court in Accra since seven in the morning, convinced that history was in the making. For an election dispute with far-reaching implications for democratic politics in Ghana and the rest of Africa, Justice Atuguba's announcement at just after one o'clock seemed an anti-climax.

It may have been that Atuguba, who is no showman, wanted to play down the moment. His fellow judges looked relieved to see the end of a case which had made them the focus of political sniping and national attention. Three days after the judgement, Kofi Annan, the former United Nations Secretary General, weighed in with a call for electoral reform to tackle the complaints raised in the case.

The ubiquitous peace groups which are growing in influence among African civic activists are said to have raised over US\$300,000 to campaign for Ghanaians to accept the election ruling without rancour. Peace posters were liberally pasted around the main cities and peace jingles rang out incessantly on local radio stations. The United States Embassy issued a security warning for judgement day but the market view of Ghana as a stable and relatively

successful economy hardly skipped a beat.

The politicians saw it differently. The petitioners from the opposition New Patriotic Party, who had been confident of victory until a day before the judgement, were infuriated by a verdict which they said overrode the constitution and electoral law. The NPP had spent over \$2 million and much of its political energy this year on the case.

This was far from a total political loss for the NPP: it had persuaded four of the nine judges to side with it on three of its claims about the elections. The court case may have helped to dissipate some of the anger of those NPP supporters who felt the 2012 elections had been riddled with fraud.

## THE SUPREME COURT SHOW

The judges' deliberations were broadcast live on television while partisan commentators held forth on radio talk shows, so the Supreme Court case became a kind of political mobilisation. Both sides tried to fire up their supporters as their legal counsel embarked on lengthy cross-examinations.

Televising the court proceedings gave the NPP an unprecedented chance to present its critique of the election to a mass audience, despite the arcane legal language. The case may also have boosted the standing of lawyers as they argued over a matter of such importance to so many people. Despite the ultimate failure of the petition, it will encourage others to bring petitions in future. For NPP activists, their counsel's grilling of the Chairman of the Electoral Commission, Kwadwo Afari-Gyan, was the high point.

GHANA	3	NIGERIA	4	ZIMBABWE	5	SOMALIA	6	SIERRA LEONE	7
<b>Economic tests looming</b>		<b>Cracks widen in the PDP</b>		<b>The waiting game begins</b>		<b>Two cheers for the Juba deal</b>		CONGO-KINSHASA	9
Two-and-a-half years may not be long enough to improve the fiscal position.		Seven state governors walked out of the governing party, dealing a critical blow.		ZANU-PF restrains its exultation as it contemplates the vast challenges ahead.		The Jubaland agreement may have saved Somalia from a descent into disastrous factionalism.		CONGO-K/RWANDA	10
								MOZAMBIQUE	11
								POINTERS	12

**AFRICA CONFIDENTIAL**73 Farringdon Rd, London EC1M 3JQ, UK  
Tel: 44(0)20 7831 3511

Editor: Patrick Smith

Associate Editor: Gillian Lusk

Deputy Editor: Andrew Weir

Managing Editor: Clare Tauben

Website Editor: Juliet Amisshah

Published fortnightly since 1960

25 issues per year – Proprietors: Asempa Ltd.

ISSN 0044-6483 (Print) ISSN 1467-6338 (Online)

All material is copyright Africa Confidential.

For the latest edition online, go to:

Africa-Confidential.com.

The NPP presidential candidate and first petitioner, **Nana Addo Dankwa Akufo-Addo**, won cross-party acclaim for quickly accepting the ruling and announcing that the party would not seek a review of the ruling so that the country could move on: ‘Everything in my bones, my upbringing, and in what I have done with my life thus far makes it imperative that I accept a decision made by the highest court of this land, however much I may dislike or disagree with it.’

Akufo-Addo’s concession and his call to congratulate Mahama doubtless helped to calm his supporters. By 2 September, however, senior NPP officials were suggesting that the party’s second and third petitioners might still seek a review of the ruling.

Evidently expecting victory, the respondents from the governing National Democratic Congress (NDC) were dressed in celebratory white and waved handkerchiefs in court after the verdict. Mahama’s position within the party has unquestionably been strengthened. Speaking on national TV, the President added his weight to the calls for unity, throwing in a quotation from the spiritual founder of the NPP, **JB Danquah**, for good measure.

Mahama’s government has been bound up in this case for eight months despite its best efforts to give an impression of business as usual. Although the 29 August judgement settles the controversy officially, the aftermath of the ruling will rumble on.

The release of 588 pages of the final judgements on the case will spark further debate on the elections and perhaps reinforce calls for electoral reform. Although Justice Atuguba and Justice **Jones Dotse** voted against the petitioners, they both included some proposals for electoral reform in their judgements. The judgements of two of the so-called ‘swing judges’ – **Paul Baffoe-Bonnie** and **Nasiru Sulemana ‘Sulley’ Gbadegbe** – will come under particular scrutiny.

The panel was split on the three most serious claims – over-voting, the absence of the presiding officers’ signatures on polling station returns and the failure

of the biometric voting machines. All nine judges unanimously rejected the petitioners’ claims about duplicate serial numbers on the polling station returns, duplicate station codes and unknown stations.

To draw a parallel between Ghana’s election case in 2013 and the USA’s case in 2000, the ‘pink sheets’ – the polling-station results sheets – were Ghana’s equivalent of the US ‘hanging chads’. The NPP had based its case on proving that the management of the pink sheets had broken electoral law and necessarily invalidated all the votes that they represented.

**NO CONSPIRACY**

Initially, the NPP argument had the advantage of relative simplicity. It aimed to show simply that tens of thousands of electoral violations had been committed amid widespread mismanagement, not that there was any conspiracy by the NDC or Electoral Commission to fix the vote, although many NPP stalwarts believe this is exactly what happened.

The logic was that if the petitioners could show such widespread breaches of electoral law, they could undermine

the credibility of the entire elections in both the minds of the judges and the wider public. This tactic faced two major hurdles: firstly, the sheer logistical task of gathering enough pink sheets to prove these points; secondly, the interpretation of the electoral law and the implications of invalidating millions of votes.

As the NPP had just ten days to prepare its evidence, it had to produce detailed analysis of 1,000 polling station returns each day and then find a way to compile these data sets and produce the 13 different bundles of evidence (amounting to over 400,000 sheets of paper) that the Court demanded. That would have been a testing operation for either of the USA’s two main parties but given the NPP’s limited resources, the demands stretched the party’s team beyond the limit. Knowing this, the NDC’s legal team initially concentrated its efforts on pointing to flaws in the NPP’s collation of evidence until finally an international firm of accountants, KPMG, was called in to audit the polling returns that the NPP had submitted.

Certainly the NPP’s target of collating evidence from 11,000 of more than 26,000 polling stations proved too ambitious and

**OPPOSITION TURNS TO TAX AND GRAFT**

After the 29 August Supreme Court judgement, the political theatre will shift to economic policy and accountability issues. Oppositionists accuse the National Democratic Congress government of relying too much on raising taxes and not enough on cutting wasteful spending and corruption. The New Patriotic Party’s former Finance Minister, **Yaw Osafo-Maafa**, said the government’s introduction of five new tax bills pointed to an ‘economic management style of reckless spending, more borrowing and increased taxation [that would] lead to economic suicide’ (AC Vol 42 No 2).

As an alternative, opposition parties, civic activists and companies are calling for an overhaul of the Ghana Revenue Authority’s collection systems as well as a concerted effort to claw back US\$1 billion in cash irregularities uncovered in the Auditor General’s report for 2011.

Another opposition target is the massive overspending on the Ghana Youth Employment and Entrepreneurial Development Agency by the Ministry of Youth and Sports in 2012, which prompted an investigation into corrupt payments. After a draft report proposed the prosecution of some leading officials in GYEEDA, a committee chaired by former Prime Minister **Paul Victor Obeng** softened its recommendations.

Companies are more vocal on tax than corruption. **Seth Adjei Baah** of the Ghana Chamber of Commerce and Industry, **Nana Osei-Bonsu**, Director General of the Private Enterprise Foundation, **Kwaku Sakyi Addo**, Executive Secretary of the Ghana Telecoms Chamber, and the Association of Ghana Industries are leading the charge against the emergency tax measures claiming, like Osafo-Maafa, that they will hold back growth.

At the same time, the Ghana Integrity Initiative’s latest Global Corruption Barometer reports that 54% of 2,000 respondents said corruption was on the increase and listed the most corrupt institutions in the country, in descending order, as the police, the political parties, the judiciary, the education system and the civil and public services. Over 60% of those surveyed see corruption as a serious problem.

President **John Mahama** has started to address the issues publicly by releasing a code of ethics for government ministers and other political appointees. Nonetheless, there is major concern about the weakness of the state’s main anti-corruption institution, the Commission for Human Rights and Administrative Justice, which lacks the power to open its own investigations, let alone initiate independent prosecutions.

It is also hampered by a lack of resources, technology and trained staff to tackle corruption, tax evasion and illicit financial flows in an increasingly sophisticated economy. ●

gave the NDC's lawyers several chances to pick holes in the presentation of the case. NDC counsel **Tsatsu Tsikata's** cross-examination of **Mahamudu Bawumia**, Akufo-Addo's running mate, on the pink sheet serial numbers turned into a feat of physical endurance for both men. In a rare moment of levity, Bawumia invited Tsikata to join the petitioners.

Counter-attacking, the NDC's lawyers hugely irritated their NPP counterparts by directing their fire at the arithmetical issues. This also helped to divert attention from a disastrous courtroom performance by Electoral Commission Chairman Afari-Gyan. Then came the interpretation of the electoral law, on which the judges seemed genuinely at odds.

Much legal and political dissection of the judgements and their significance lies ahead, as do fresh demands for electoral reform. If that improves the political climate and leads to less contentious elections in 2016, the eight months of courtroom argument will have been worth it. ●

GHANA

## Economic tests looming

**There are only two-and-a-half years before the next election cycle. It may not be long enough to improve the fiscal position**

Finance and Economic Planning Minister **Seth Tekper** has a tricky message for Ghanaians. The National Democratic Congress (NDC) has been in charge of the economy for nearly five years and presided over the start-up of commercial oil production; foreign banks are queueing up to lend money and the Ghana Stock Exchange has been one of Africa's best performing this year. So the economy should be on fire.

Instead, the government faces a chronic budget deficit, a crippling build-up of domestic debt, fast-rising foreign debt and widespread economic discontent about the standard and cost of public utilities such as electricity and water supply. Tekper and his officials are trying to cut the deficit and fund an ambitious new public sector pay structure, as well as finance much-needed investment in the energy and water sectors (AC Vol 54 No 13).

Tackling these economic demands is now the government's top priority, says President **John Mahama**. He has just two-and-a-half years to push through his programme before the next cycle of electioneering begins, and in terms of jobs and wages, the next couple of years are likely to be tough for Ghanaians. There are no quick fixes on offer.

In the week before the Supreme Court ruling (see Feature, p. 1), Mahama brought together Tekper and all the other senior ministers for a frank discussion on economic policy. Tekper's technocratic style and attempts to coordinate policy better have not made him many friends in the NDC. The party is generally sceptical about the World Bank and International Monetary Fund policies which many associate with him. Then on 3 September, he went to Parliament to join negotiations about budgetary cuts.

Tekper, who was elevated from Deputy Finance Minister on 11 January, introduced tough emergency measures in July to cut

the budget deficit, running at around 12% of gross domestic product, and boost state revenue. Cutting the deficit, bankers say, is more important than the Supreme Court case. The temporary measures included a 5% fiscal stabilisation levy on banking, insurance, breweries, mining and communications companies. This has prompted more complaints from the business lobby.

The government has halted most contract awards as it struggles to pay off the pipeline of contractor credits built up over the past five years. It has reclassified its Communication Service Tax as an excise tax after popular opposition forced it to abandon a proposal to tax all incoming international calls and e-mails. It will, though, impose a new tax of 20% on the sale of mobile telephones.

### BOOSTING REVENUE

So tough is the fiscal position that some of the new taxes directly hit production. There are new excise duties on imported plastic products and a special import levy on goods such as fishing nets, outboard motors, cutlasses and cooking utensils. Alongside this, the Ghana Revenue Authority is to boost collection efforts.

These new taxes laid the ground with the markets for the government to float a new US \$1 billion Eurobond in July, a month before the Supreme Court case was resolved. Despite tougher international financial conditions, the bond was heavily oversubscribed.

Its proceeds are to be used to pay off some of the domestic public debt, refinance some short-term foreign debt and finance capital projects. The Ghana Cocoa Board has negotiated another \$1.2 bn. credit to buy this year's crop, which will inject substantial funds into the countryside at a time of rising world cocoa prices.

At the same time, the Treasury is stepping up its issue of local currency bonds, raising the equivalent of another

\$400 million by the end of the year. With forecast returns of over 20%, these bonds will attract the newly-established pension funds looking to build their asset base, following the reform of the national pension system. These new provisions have driven capital market growth, boosting the price of leading shares on the stock exchange by some 60%. The government hopes that by encouraging investment in the capital markets and offering incentives to pension funds to buy local currency, the bonds will help to bring down interest rates.

Still sceptical, the main opposition New Patriotic Party (NPP) has issued dire warnings about the rise in public debt to an estimated \$19 bn. at the end of 2012 under the NDC. The figure does not include an agreed \$3 bn. loan from the China Development Bank, most of which is yet to be disbursed. When it took over in January 2009, the government owed just \$4.5 bn. after securing a debt-reduction deal with the World Bank and IMF, according to **Anthony Akoto Osei**, a former Deputy Finance Minister who chairs the NPP's Finance Committee (AC Vol 46 No 7). Nevertheless, the outgoing NPP government left hefty trade and budget deficits approaching 20% of GDP.

Replying to the NPP claims, Tekper argues that since its recalculation or rebasing, the nominal GDP has risen \$17.5 bn. to almost \$40 bn. The increase in the debt burden is therefore at least partially self-sustaining.

Whichever side is right about debt levels, interest rates remain prohibitively high for consumers and customers. In May, Bank of Ghana Governor **Henry Akpenamawu Kofi Wampah**, who was confirmed in his post in April, announced a 1% rise in the minimum lending rate to 16%. Commercial bank rates are around 30-32% and the banks have resisted all efforts to reduce them. Inevitably that feeds into higher prices.

More widely, the target of keeping inflation under 10% will face huge pressure as the government raises the tariffs of the state fuel, power and water utilities. Although the NDC will enjoy a short-term political boost from its Supreme Court victory, it faces some formidable economic obstacles as it tries to consolidate power over the next three years. ●

## NIGERIA

# Cracks widen in the PDP

**Seven state governors have walked out of the governing party, dealing a critical blow to its election strategy**

As he started a three-day state visit to Kenya on 5 September, President **Goodluck Jonathan** might try to put his own government's political disarray into perspective. His host, President **Uhuru Kenyatta**, faces trial this year at the International Criminal Court as a political row erupts about the country severing its membership in the ICC. Kenya's political crisis is beginning to seriously damage its economic position.

By contrast, Jonathan's political fights are entirely local and for now Nigeria's economic momentum looks unaffected by the brewing storm in the governing People's Democratic Party. Seven state governors and a former Vice-President walked out of the PDP's conference on 31 August to form a rival faction, triggering defections among PDP senators and representatives in the National Assembly.

Yet that did little to dent the enthusiasm of those Nigerian businesses hosting a Nigerian Economic Summit in the capital on 3-5 September, which drew a star-studded cast of national and foreign companies. For now, the combination of a population nudging 170 million and economic growth rates of 7% a year overshadows concern about PDP faction-fighting or even the continuing armed insurgency in the north-east.

Reinforcing that view, Jonathan summoned Nigeria's corporate top team to the presidency at Aso Rock for a special reception on 4 September. The following day, most newspapers splashed photographs on their front pages of Jonathan and the business titans. The message, 'Jonathan carries on regardless', was clear, even if not entirely credible.

## IMPRESSIVE TECHNOCRATS

Jonathan has been helped by the government's impressive technocratic figures, such as **Akinwunmi Adesina**, the Agriculture and Rural Development Minister whose plans for the rapid expansion of farm production and exports dominated the summit in Abuja.

Another star at the summit was the Central Bank of Nigeria Governor, **Sanusi Lamido Aminu Sanusi**, whose term expires next year. He has presided over a clear-out of bad banks and practices as well as steering hundreds of millions of dollars of loans into the under-financed farm sector. Understandably, neither

Adesina nor Sanusi commented directly on the worsening political crisis in the PDP. Reform enthusiasts, they are far more comfortable talking about policies than parties.

Certainly, the latest PDP crisis is not about policy. At best, it's about the management of the party and division of spoils. At worst, it's about untrammelled personal ambitions which could destabilise the country. The fight started with the opposition of northern state governors to Jonathan's – as yet undeclared – ambition to run for a second presidential term next year (AC Vol 53 No 7). Behind those governors, most of whom are in their second and final term, have gathered a throng of Jonathan's political foes from across the country, including **Rotimi Amaechi**, Governor of Rivers, the richest state after Lagos (AC Vol 54 No 16).

The latest episode started when five PDP governors – **Abulfatah Ahmed** (Kwara State), **Mu'azu Aliyu** (Niger), **Rabiu Musa Kwankwaso** (Kano), **Sule Lamido** (Jigawa) and **Aliyu Wamakko** (Sokoto) – walked out of the PDP national conference in protest at what they called a deliberate flouting of party rules by **Bamanga Tukur**, the PDP National Chairman and key ally of Jonathan's.

This rebellion was swelled by two more governors, Admiral **Murtala Nyako** (Adamawa) and **Amaechi**, who were barred from attending the convention due to long-standing disputes with Tukur. Adding further weight to the rebels were former Vice-President **Atiku Abubakar** and Senator **Abubakar Bukola Saraki**, a former Kwara Governor who had been eyeing the presidency.

The rebel governors' exodus from the party conference had the hallmarks of a well-planned operation designed to cause the maximum political damage to Jonathan. Within minutes of their storming out, they were addressing a press conference at the nearby **Shehu Musa Yar'Adua** Centre (AC Vol 47 No 9). They announced that **Prince Olagunsoye Oyinlola** would be National Secretary of what they called the 'New PDP' and **Abubakar Kawu Baraje** would be its National Chairman. Rather ambitiously, they said that they would be taking over all the national structures of the PDP. Yet by 3 September, the rebels had persuaded 26 senators and 58 representatives in

the Assembly to break with the party mainstream.

That gives the New PDP faction real bargaining power in the Assembly. If it holds together and chooses to combine voting forces with the opposition alliance, the All Progressives Congress, it could block or delay any legislation indefinitely. However, many uncertainties surround the new formation: for now, it seems to lack a common programme or even a set of tactics. So its leading members would be vulnerable to being picked off with threats or blandishments.

The established PDP hierarchy has reacted with fury. Chairman Tukur told journalists on 4 September that the rebels were irrelevant and would face legal sanctions for their actions. We hear that some of Tukur's and Jonathan's allies are already drawing up plans to seal off any building that the new faction identifies as its headquarters. Its leading members complain that they are under security surveillance.

## BARONS MEDIATE

After all this, the biggest question is whether the PDP can survive as a governing party. The crisis is serious enough to have sent party barons, such as former President **Olusegun Obasanjo** and **Tony Anenih**, Chairman of the party's Board of Trustees, scuttling around trying to launch some form of mediation between factions. Although a Jonathan-loyalist, Anenih admitted there was some substance to the rebels' complaints. It may be that he will put together a deal that involves dumping Tukur as Chairman in favour of someone the rebels are prepared to support.

That might reduce the tension but then the matter of Jonathan's presidential candidacy next year still has to be resolved. He and his campaign team are publicly refusing to acknowledge the rebellion. In private, they dismiss this week's crisis as a typical mid-term political squabble got up by second-term governors. With patronage and control of the party management, they insist Jonathan can brazen it out and back a new set of governorship candidates in the rebel states. As for the rebels themselves, he could offer them a choice between sinecures or the political wilderness.

Yet this time, the PDP rebels could prove tougher, buoyed by the changing national landscape, with a major opposition alliance party strengthening their hand. When Obasanjo, a far wiliier politician than Jonathan, tried to engineer a third presidential term in 2006, his campaign was shut down by a highly effective alliance of opposition activists and PDP dissidents. After a sensational week, Jonathan's foes are still very much on the offensive. ●

## ZIMBABWE

# The waiting game begins

**ZANU-PF restrains its exultation at electoral victory and the MDC its gloom as both contemplate the vast challenges ahead**

Opposition reactions after President **Robert Mugabe's** re-election and inauguration have lacked drama. Movement for Democratic Change supporters in urban strongholds believe they were robbed of victory on 31 July by the machinations of Registrar General **Tobaiwa Mudede**, now widely known as 'General Riggerster'. Yet the MDC seems resigned to waiting out another term for the Zimbabwe African National Union-Patriotic Front (ZANU-PF).

This is probably not how Mugabe had hoped his final victory would be celebrated. Since the elections, he has been almost as visible as before, trying to arouse enthusiasm with a series of sometimes contradictory speeches. While awaiting the appointment of the new cabinet, solutions to the two most pressing national problems – the economy and the succession – appear distant. Unfortunately, some of Mugabe's speeches were made at the funerals of old comrades from the liberation era, which only underlined the problem and emphasised the gloom.

With collective relief, the Southern African Development Community and African Union are effectively signing off on their facilitation of Mugabe's victory. The leader of the SADC observation team, **Tanzanian** Foreign Minister **Bernard Membe**, has presented his final report. It concludes that the election was free and credible, with mild reservations. Few in SADC were unaware of the shortcomings of the election and some even seem anxious to find out how it was done. President **Joyce Banda** of **Malawi** is reported to have seconded civil servants to Mudede's office beforehand and to have hired the **Israeli** firm Nikuv International Projects. Nikuv is the specialist company which worked on the Zimbabwean register (AC Vol 54 No 16). Banda's government denied the reports.

Membe commented that sanctions had made things harder for the MDC, which shows Mugabe's success in popularising his own view. Despite the sanctions' limited scope, Mugabe has blamed them for all the economic damage of the last decade. Their weakness has also exposed the bankruptcy of Western policy options. Since 2008, \$2.6 billion in relief and social aid has been channelled in, largely outside government control. This upset vested interests which labelled it a nefarious programme and promised that

the new government would restrict the non-governmental organisations involved. The Educational Transition Fund, which enabled one of the stars of the Government of National Unity, the MDC's **David Coltart**, to stabilise a collapsing education system, may now be vulnerable.

Mugabe has also resisted the temptation to untangle the costly governmental deadlock and give MDC leader **Morgan Tsvangirai** a face-saving way out. A brief glimmer of hope came when the independent *NewsDay* paper wrote that Tsvangirai would be offered the second vice-presidency, along with some economic ministries. If true, this could have been a ZANU-PF trial balloon. The paper's editor was then suspended for doctoring the news.

Such an offer would not have been accepted, indicate MDC sources. MDC-Tsvangirai has quickly recovered from the post-election depression which saw the resignation of Treasurer **Roy Bennett** to form a new group. At a two-day strategy post-mortem, it was accepted that attempts to overturn the results were futile, as was the hope of installing Tsvangirai in State House in the near future. The party should concentrate on its proven strengths: one third of the electorate had remained loyal (together with a substantial unregistered

body), it controlled three of the ten provinces, the major urban councils and a group of experienced MPs. In an energetic campaign, Tsvangirai was a crowd-puller and, for now, is safe from challenge.

Renewed emphasis is to be put on democracy, nationally and within party structures. The MDC recognised that there had been unnecessary losses where the leadership had imposed favourites over local preferences and that local government councillors had often seemed self-serving. The hope is that once ZANU-PF's contradictions have blossomed over the succession and economic policy, patient waiting with improved performance will offer a convincing alternative.

The elections produced little change in the balance between the ZANU-PF factions. Mugabe and his party know what won the elections and that the victory was not quite as convincing as the bald figures imply. He claimed the MDC was just a bad loser. The failure to shake its core urban vote has led to a carrot-and-stick approach in Mugabe's post-election rhetoric. He has warned that Harare and Bulawayo residents will regret their voting choices, even though their rates and utility bills are being written off. A confrontation looms as councils in turn warn ratepayers of court action and an inability to finance wages and services if they do not pay up.

At the opening of the Harare Agricultural Show, Mugabe claimed that the MDC had sabotaged agricultural recovery (output languishes at half of 2000 levels) by refusing to allocate funds when in government but that this would now change. He failed to say where the funds for either of these policies nor the promised pay rises would come from. ●

## KK CUTS A DASH

The Movement for Democratic Change's application to the Constitutional Court to void the elections created uncertainty over the timetable for the inauguration of President **Robert Mugabe** and, with it, any hope that the pageantry could emulate the much-admired rituals of the **Vatican** or **British** royalty. Only six heads of state turned up on 22 August; retired elder statesmen represented most other African leaders. **Zambian** President **Michael Sata's** choice of delegates was slightly mischievous: his white deputy, **Guy Scott**, and ex-President **Kenneth Kaunda**, who had backed Mugabe's rival **Joshua Nkomo** during the liberation war.

Kaunda is one of the few people still alive who may know the full story of the assassination of **Herbert Chitepo**, Mugabe's predecessor as ZANU-PF leader (AC Vol 43 No 25). Kaunda is only a few months younger than Mugabe but his energetic performance at the inauguration was a show-stopper. When Mugabe made a laboured reference to him, Kaunda jumped up and strode to the bandstand in his trademark black safari suit with white handkerchief. Grabbing a guitar from a bewildered police bandsman, he began belting out a series of golden oldies, dancing and strutting like a rejuvenated pop star and ending with his old independence theme tune, *Tiyende Pamodzi* ('Let's work together'). The assembled dignitaries were jolted from their soporific daze and the party took off.

After decades of being patronised by Zimbabwe, Zambia is enjoying being the region's growth economy. It has taken subtle advantage of Zimbabwe's difficulties by encouraging firms to relocate there and the absorption of some of Zimbabwe's unwanted white farmers has for the first time made the country an agricultural exporter. ●

## SOMALIA

# Two cheers for the Juba deal

**The Jubaland agreement may have saved Somalia from a descent into disastrous factionalism. It is a glimmer of hope amid plenty of bad news**

When the government of Somalia and the Jubaland administration of **Ahmed Mohamed Islaan 'Madobe'** signed an interim agreement on 27 August, the sighs of relief were audible. Both sides had stepped back from the brink and defused, for now at least, a political bomb that was threatening to derail the one-year-old Federal Government.

In the run-up to the meetings in Addis Ababa, **Ethiopia**, that preceded the agreement, there was a serious danger that Darod-dominated sections of the north, especially Puntland, and in the Juba Valley would become actively hostile to the central government. That danger is now averted, temporarily perhaps, and the agreement revives hope that the Mogadishu government has a chance of holding Somalia together.

Ahmed Madobe and his Ras Kamboni Brigade, acting hand-in-hand with the **Kenyan** army, had captured significant parts of Middle Juba and the port city of Kismayo from *Al Haraka al Shabaab al Mujahideen* (AC Vol 54 No 14). They then called a regional conference which declared Madobe President of the 'Jubaland State of Somalia'.

Mogadishu vehemently opposed this development and the dispute threatened to split the country along Darod pro-federalist and Hawiye pro-centralist lines. Huge tension between the two clan groups and their visions for Somalia remain but the Juba agreement at least buys time to try and come to a common understanding on a way forward nationally.

## TWO-PART AGREEMENT

The agreement comes in two parts. The preamble reaffirms the principles that are important to President **Hassan Sheikh Mohamud** and his government. These mainly concern the leading role that the government should play in the creation of new federal units. When it comes to the substance of the agreement, however, things take a turn in Madobe's direction.

The concessions made by the Jubaland side are minimal and cosmetic. The region will be referred to as the 'Juba administration' in place of the more permanent-sounding 'Jubaland'. Madobe will be the 'leader' of the administration, not 'president'. The agreement makes no mention of the Jubaland conference that appointed him and it states that the process of formally creating a federal state

needs to begin. In theory, this is a two-year transitional agreement. The control of the ports and airport – the major sources of income – remain under Ras Kamboni control for six months and then under federal control, but the revenue is to be used for the Juba administration.

The small concessions made by the Madobe side cannot mask the fact that this agreement gives a stamp of approval to the Jubaland process and the creation of a state in Lower Juba, Middle Juba and Gedo led by Ahmed Madobe and Darod politicians including former Prime Minister **Omar Abdirashid Ali Sharmarke**, from the Osman Mahmud sub-group of the Majerteen (AC Vol 50 No 4).

After months of loudly proclaiming that its way was the only way, the government looks as if it was bullied into accepting the facts on the ground. The agreement can be seen as an embarrassing climbdown but it also has a bright side for Hassan Sheikh and his team. After a year in power, the government had little to show for all the hope and enthusiasm lavished on it. Somali politicians and international donors had started openly to question whether this government could survive until 2016, when elections are scheduled. Finally, something that looks like political progress has emerged.

Now the government can say it has taken on one of Somalia's big political crises and, through negotiation and compromise, reached a deal that averts conflict and begins to expand the coalition of territories affiliated to the federal government. Not surprisingly, international partners have expressed enthusiastic support. The European Union's foreign policy chief, **Catherine Ashton**, released a delighted message welcoming the agreement and the good news it brought to the Brussels donors conference, scheduled to open on 16 September.

## OTHER WORRIES

Progress in one area cannot obscure the massive challenges that still face the government in others. An increase in *Al Shabaab* attacks across the capital has made potential visitors from the diaspora, foreign investors and diplomats increasingly cautious about going there. Although some security forces are beginning to look like professionals – notably the famed Alpha Squad, who can be seen in their balaclavas and sunglasses

whenever anti-*Shabaab* operations are under way – most of them remain loyal to clan leaders and more useful for directing traffic (and extorting money from drivers) than fighting wars.

The security challenges the government faces would be less of a problem if progress elsewhere on the political front were more encouraging, especially over Puntland. Puntland's irritated breaking-off of relations with the Mogadishu government remains a major obstacle to further government progress. Much of the problem is about internal Puntland politics and President **Abdirahman Mohamud Farole's** desire to hang on to power after the end of his extended term in January next year. Yet it remains the case that the federal government's mishandling of relations saw it take the blame for what was in fact Farole's intransigence.

Puntland is convinced that the interim constitution was tampered with to remove key protection for its interests, particularly clauses relating to the establishment of an upper house of Parliament, which would represent federal member states like Puntland. The government's bellicose approach to the Jubaland issue and reluctance to begin meaningful discussions about the mechanics of federalising Somalia convinced Puntland – and many others – that Hassan Sheikh and his cronies were interested only in a highly centralised state.

Meanwhile, other regions are getting restless. The Hawiye-dominated central regions, where the President should be able to rely on the goodwill of his fellow clan members (he is Waisle/Abgal/Hawiye), are anxious that their moves to form their own federal state are taking too long.

Yet it is in the *Rahenweyn*-dominated regions of Bay and Bakool that tension is brewing most alarmingly at the moment. Leaders in these regions, including former speaker of the Transitional Federal Government's Parliament, **Sharif Hassan Sheikh Aden**, representing the historically weakest and most marginalised of Somalia's major clans, had hoped to form a mega-state incorporating Bay and Bakool, the three regions now composing the Juba administration and Lower Shabelle. The acceptance of the Jubaland project means that will not happen. Communities in Bay and Bakool are nervous that they will be prevented from incorporating Lower Shabelle into their new state and thus will have no access to the coast and a sizeable portion of their clan-members will be in a different state.

The President is likely to be out of Somalia for most of September as he travels to international meetings in Dubai, Rome and Brussels. He should return from Belgium with promises of

financial and technical assistance and another big international political fillip to his legitimacy. However, the problems he faces in security, relations with Puntland and a fundamental disagreement about the nature of Somalia as a nation, and the extent to which it should decentralise power, will continue to haunt his government.

An expected cabinet reshuffle in late September or early October should see the

retirement of Prime Minister **Abdi Farah Shirdon** and an expanded cabinet put in place. This should signal a change to a more inclusive and broader approach to governing. The major challenge will come with the appointment of key committees to review the constitution and oversee the establishment of federal units. If these processes simply crudely promote the President's vision of a strongly centralised state, then whatever trust was gained

through the Juba process and an expanded cabinet will be wasted.

If Somalia's government can build on its newfound willingness to negotiate and build alliances with leaders and clans throughout Somalia – and not just among anti-federalist Hawiye – then a year of indecision and obstruction may have ended in prospects of real progress. ●

## SIERRA LEONE

# Bah reveals official links

**Breaking his silence, Ibrahim Bah denies he has blood on his hands and claims to have set up many ventures and worked closely with ministers**

In an attempt to clear his name, former warlord Ibrahim Bah has been talking to *Africa Confidential* by telephone from a secret location. He has contradicted the government's claim that it was not aware of his presence in Sierra Leone by producing a letter from a senior All People's Congress (APC) official inviting him into the country in late 2007. Moreover, he has produced other documents that indicate that he has been working closely with the government of President **Ernest Bai Koroma**, has introduced foreign business executives to ministers, been active as a businessman in his own right and travelled all over the region unhindered.

Bah, who is also known as Ibrahim Balde, Ibrahim Bah and General Abraham, was deported from Sierra Leone on 27 July after AC revealed his presence in Freetown in defiance of a United Nations travel ban. President Koroma ordered his expulsion to prevent him from appearing in court to answer charges of assaulting and kidnapping one **Tamba Emmanuel** in 2000, at the height of the devastating civil war, say sources associated with the case (AC Vol 54 No 15). If the documents Bah has produced are authentic, it seems that the government also deported him to avoid its relationship with him from becoming known.

### UN BAN

Bah's current whereabouts are unknown, although says he is in **Senegal** with the full knowledge of the local authorities. They denied being aware of his presence (AC Vol 54 No 17). The UN imposed a travel ban on Bah for his role in dealing in diamonds and guns during the war. It concluded that he was an ally and envoy of both **Charles Ghankay Taylor**, the **Liberian** ex-President and warlord now serving 50 years for crimes against

humanity, and **Foday Sankoh**, the bloodthirsty leader of the Revolutionary United Front (RUF). Bah only narrowly escaped indictment by the Special Court for Sierra Leone. Yet he claims, convincingly, that his regional business career in West Africa has been unaffected by this and has included dealings with ministers in both of Koroma's governments.

He says he often worked with the Sierra Leone Import and Export Promotion Agency, as well as government ministers, including the Minister of Trade and Industry and the Minister of Transport and Aviation. **Richard Konteh**, who was Trade Minister and is now Koroma's Chief of Staff, denied having met Bah but said that as a minister, he met so many people that it was hard to tell (AC Vol 54 No 4). When Bah was asked if he had met Koroma himself, he declined to comment.

The government's repeated insistence that it knew nothing of Bah's presence until May 2013 is challenged by a letter from the APC Chairman of the northern Tonkolili District, **Paul Bangura** (AC Vol 54 No 10). In it, Bangura formally invited Bah to Sierra Leone in order to drum up foreign investment. Dated 1 November 2007, the letter makes specific reference to the recent change of leadership and emphasises that 'we as a government will always welcome you and your group of investors'. Bangura continues, 'I have no doubt in my mind that if I have a guest like your good self, credible investors will always be coming to Sierra Leone because of your credibility internationally... As chairman of the All People's Congress Party in Tonkolili District I hereby invite you officially to my country.' Bangura did not respond to our requests for comment.

The timing of the letter is significant. On the day it was sent, a former RUF legal advisor and spokesman, **Omrie Golley**,

an associate of Bah's, was released from the maximum security prison in Freetown, along with another suspected RUF fighter, **David Kai Tongi**. The government of then President **Ahmad Tejan Kabbah**, of the Sierra Leone People's Party, had detained them on suspicion of 'subversion' in early 2006 but they had not yet been tried. It was alleged that they planned to overthrow the government and assassinate Vice-President **Solomon Berewa**. Golley, a Sierra Leonean-British lawyer, who had himself been subject to a UN travel ban in 2001-02 for his role in the conflict, effusively praised Koroma and the APC for releasing him.

The release of the alleged RUF coup-plotters and Bah's invitation to return to Sierra Leone occurred within weeks of the newly-elected President's return from **Burkina Faso**, where Bah was then living. Burkinabè President **Blaise Compaoré** supported Charles Taylor and the RUF and had been close to its top officers, including Bah. Burkina was the origin of many of the arms shipments to the RUF and Taylor's militia. **Libya's** late Colonel **Moammar el Gaddafi**, who was close to Compaoré, also supported Taylor's operations with guns and money.

Kai Tongi subsequently went to work for Bah's gold-exporting company, Ninki Limited, while Golley, an ardent cheerleader of the APC government, collaborated with Bah to bring in a group of **South Korean** investors, Bah says. He also says he arranged for officials of the Make Holdings Group to visit Sierra Leone, **Benin, Ghana, Guinea** and **Togo**. He later fell out with Golley, claiming that he was hijacking the investment programme for 'personal political ambition', and proceeded to inform what he describes as 'high authorities' in Sierra Leone to 'be careful with the Koreans'.

According to Make Group's website, its Chairman, **James Juhee Han**, was made a 'special envoy' of President Koroma in June 2008. A month later, Make had secured 'the sales dealerships of Samsung Electronics' in Sierra Leone and other West African countries, its website claims.

Contacted in South Korea, Han admitted knowing Bah and described him as 'an old friend'. In January 2013, Make

Group signed a series of memoranda of understanding with the Koroma government for projects that are as yet undisclosed. The following month, the pro-government media outlet *Awareness Times* published a photo of Han and his delegation with Vice President **Samuel Sam-Sumana**, along with Golley, adding that the Koreans had already met President Koroma. In June, the company announced an investment of almost US\$700 million in neighbouring Liberia.

In late 2012, Bah was also involved in an infrastructural investment plan to improve transport between Freetown and Lungi International Airport. In a letter dated 4 September 2012, he invited MagForce International, a **French** company dealing in military and other outdoor equipment, to 'explore the business opportunities available in the country', saying he would 'use the occasion to introduce your delegation to government officials and private sector entities'. A subsequent letter of 24 September from MagForce President **Robert Franchitti** to the then Trade Minister, Richard Konteh, thanked him for the time granted to the MagForce delegation.

## INTRODUCTIONS

Further correspondence obtained by AC shows that Bah's investors then met President Koroma at State House on 13 November. By 21 December, the government had signed a memorandum of understanding with MagForce's partners, **China** Shipbuilding NDRI [Ninth Design and Research Institute] Engineering Company and the Chinese trading company CEMIT Machinery & Electronics Engineering Company, to implement the project, which is estimated to cost up to \$100 mn. When questioned about Bah's involvement in the project, MagForce's Managing Director, **Catherine Delage**, said she did not know anyone of that name. AC was unable to contact the Chinese companies before publication.

Although Bah's claims are self-serving, the records and documents he has produced clearly show that the government's denial that it knew he was in the country is incorrect. Whether Compaoré recommended him to Koroma's new government in 2007 or whether he promoted himself to the APC as an investor and businessman, the governing party evidently welcomed him with open arms. Subsequent meetings, introductions and deals show the government's open involvement with a man who, according to the UN, had played a key role in the devastation of the country in a brutal civil war that was fuelled by blood diamonds.

Bah has traded gold and diamonds through his firm, Ninki Group (SL), as well as through its affiliates, Canary Export (SL) and Eurica International (SL).

Ninki applied for its first export licence on 1 January 2009. Many of its subsequent dealings were with **Italian** businessman **Vittorio Narciso Ruello**. Shipments were sent to the Gold Moving Company, of Piazza del Comune 15, Montefalco, Italy. This describes itself as a watch and jewellery wholesaler.

Ruello, whose company profile describes him as an expert in, among other things, offshore registration, marine ecology and ship-brokerage, is President of the *Fundación Milnavi*, based in **Panama**, and the Chief Executive Officer of Milnavi **Mexico**. He eventually fell out with Bah after an ill-fated attempt to establish himself as Honorary Consul of **Guinea Bissau** in Mexico. Ruello claimed to be close to **Carlos Slim**, Mexico's wealthiest man, and that Bah had kept \$375,000 of his money (AC Vol 54 No 10).

Bah insists he was never notified of any travel ban, though the UN and Interpol issued official notices in 2003. He says he has since travelled freely throughout West Africa. He told AC that since 2003 he had visited five countries: Sierra Leone, Burkina Faso, Ghana, Guinea Bissau and Senegal, adding that he travelled openly through international airports, making no effort at concealment and was never given any trouble by immigration officials. Yet Interpol has circulated Bah's name and aliases to all immigration and police services in Africa. **Botswanan** officials stopped a different man with the name Ibrahim Bah at Gaborone Airport this year on the strength of the Interpol notice.

Bah says he addressed a letter to the UN Security Council in 2005, via the UN Development Programme in Ouagadougou, notifying it of his intention to leave Burkina, as UN investigators, he claims, advised him to do. He says he received no reply.

Similarly, after his arrival in Sierra Leone, he says he made no attempt to keep a low profile. 'I registered my company [Ninki Group (SL)] legally and was paying tax to government,' he said. 'I always enter Sierra Leone by air through the Lungi International Airport, my office was 20 metres from a police office, I was paying residence permit regularly, I was meeting government officials openly,' he said.

When, shortly before his deportation, we visited Bah at his home, a two-storey building cut off from the rutted road in front by a high compound wall and situated in the upmarket residential district of Aberdeen, he came across as mild-mannered and personable. He took the opportunity to respond to some of the allegations against him. He admits having fought for some years with Taylor's National Patriotic Front of Liberia rebels but denies charges that he trafficked arms and diamonds. He said that Taylor did not need his help, as he was getting 'all he

needed free' from Colonel Gadaffi.

Bah also denied allegations that he had facilitated gem purchases for *Al Qaida* operatives in Liberia, as well as claims that he fought with Hezbollah in **Lebanon**, the *mujahideen* in **Afghanistan** and Casamance separatists in his native Senegal. He was open about his military training in Gadaffi's International Green Army, saying his flair for languages led to him being chosen as a translator. This post enabled him 'to understand various mentalities and convictions, speak to people of various movements in Africa, Asia and Latin America'. He also denies organising a mercenary force in Freetown.

## FRIEND FODAY

One of those he met in Libya was Foday Sankoh, who later became a close confidant. 'He was a very nice friend,' recalls Bah of the RUF leader, whose chief military tactics in the civil war included amputation, rape and the widespread use of terrorised and drugged child soldiers. He died from complications after a stroke while awaiting trial at the Special Court for Sierra Leone on 17 counts of crimes against humanity in 2003. Libya is also where Bah first met Taylor, though he denies ever forming a close friendship with the future President. 'It's clear that all those who spoke against me were paid for cover up in the conspiracy against me,' he claimed.

Bah depicts himself as a peacemaker and the 'architect' of the peace talks in Abidjan, **Côte d'Ivoire**, and Lomé, Togo, which aimed to put an end to the conflict in Sierra Leone. It is the same defence often invoked by his former business associate, Golley, who travelled with him to the Lomé peace talks in 1999. He proudly displayed a photograph of himself at the talks next to RUF leader Sankoh.

In response to accusations against him, Bah also claims that he has already been investigated by many of the world's top intelligence agencies. The **United States** Central Intelligence Agency, the US Federal Bureau of Investigation, Britain's MI6 and the French foreign intelligence service all questioned him between 2001 and 2004, as well as the Special Court for Sierra Leone, he says. Bah seems convinced of his own innocence and bemoans the destructive effect of the accusations against him on his family life. 'I do not commit any crime any way in my life, I never do anything bad to any West African citizen,' he said. 'In fact I helped thousands of Sierra Leone citizens, maybe I just helped the wrong people.' Many in Sierra Leone and Liberia, however, doubt that he helped anyone but himself and may find sympathy for his situation hard to muster. They may also require answers from the government. ●

CONGO-KINSHASA

# Holes in Kabila's big tent

**The President's aim of creating a national consensus is stirring up political discontent and the arrest of dissenters doesn't help**

Establishing national unity under a modified constitution is President Joseph Kabila Kabange's main concern just now, because that would give him the best chance of winning the elections due next year. At the same time, he may be seeking a third term of office.

For the past few months, fighting in the eastern provinces has won backing for Kabila from those angered by the rebels of the *Mouvement du 23 mars* (AC Vol 54 No 16). On 27 June, Kabila announced that he would summon an inter-Congolese dialogue, bringing all 'socio-political' levels of the nation together to strengthen 'national cohesion' against M23. His aim is to discuss ways of strengthening and extending the authority of the state. The influential Catholic Bishops' Conference promptly gave warning that such a national gathering must not be used to modify Article 220 of the constitution, which bans any change in the conditions of eligibility of presidential candidates. The churchmen clearly suspect the President of hoping to open the way to a third term.

Yet it could be hard to achieve a consensus while anyone who disputes it is silenced. In June, the National Assembly unseated a Christian Democrat member of parliament, **Eugène Diomi Ndongala Nzomambu**, and four others, including **Félix Tshisekedi**. He is the son of opposition veteran **Étienne Tshisekedi wa Mulumba**, leader of the *Union pour la démocratie et le progrès social* (UDPS). The pretext was their alleged absence from the chamber without cause. Diomi failed to attend Parliament because he has been under arrest since 8 April, without a warrant and despite his theoretical parliamentary immunity. He is accused of plotting to kill Kabila.

The main opposition parties promptly announced that they would not take part in the President's 'masquerade'. They include the UPDS; the *Mouvement de libération du Congo* (MLC), whose leader, **Jean-Pierre Bemba Gombo**, is on trial for crimes against humanity at the International Criminal Court; and the *Union pour la nation congolaise* (UNC), led by former National Assembly President **Vital Kamerhe**. Even by the dubious findings of the *Commission électorale nationale indépendante*, these parties' candidates mustered more votes between them than Kabila in the 2011 presidential poll.

To circumvent such problems, Kabila proposed that President **Denis Sassou-Nguesso of Congo-Brazzaville** should mediate with the most resolute opposition leader, Tshisekedi. Kabila named the presidents of the Assembly, **Aubin Minaku**, and Senate, **Léon Lobitsch Kengo wa Dondo**, as co-chairmen of the national talks, and they made a formal request to Sassou-Nguesso on 8 August (AC Vol 52 No 22). The attempt failed, partly because some senior people in the President's camp do not want outsiders to move into their own space. The Communications Minister, **Lambert Mende**, and the former Planning and Environment ministers, **Olivier Kamitatu Etsu** and **José Endundo Bononge**, resisted the idea of involving Sassou, and Tshisekedi did not go to meet him in Brazzaville. He insists that he won the 2011 presidential election and that he would visit Sassou only to demonstrate his standing as a statesman.

## CRITIC GAOLED

Meanwhile, the breakdown of order in the eastern provinces has weakened the *Majorité présidentielle* coalition. On 14 August, one of its main parties, the *Mouvement social pour le renouveau* (MSR), which has 32 MPs, stopped taking part in coalition activity in protest against the three-year prison term handed down to one of its parliamentarians, **Muhindo Nzangi Butondo**, for 'endangering the security of the state' (AC Vol 53 No 11). Four days earlier in a broadcast from Goma, Nzangi had criticised both the government and the United Nations mission, the *Mission des Nations unies pour la stabilisation du Congo*, for their inability to end the war in Kivu. He called on Monusco to join the fight against M23 and opposed the idea of negotiating with them. He was at once arrested, taken to Kinshasa and locked up in Makala prison, although his parliamentary immunity had not been lifted, according to the MLC. His own MSR party condemned what it called a 'political trial' mounted by the national intelligence agency and declared itself unwilling to work with the president.

The trouble in the east also creates difficulties for Kabila in Kinshasa. In April, the National Assembly cancelled, for absenteeism, the seat held by an ex-Foreign Minister and warlord, **Antipas Mbusa Nyamwisi**, who leads the *Rassemblement congolais pour la démocratie-Kisangani-*

*Mouvement de Libération* (RCD-K-ML, AC Vol 43 No 21). This angered some people in Mbusa's home area, the Beni and Butembo districts of North Kivu, where a new rebel movement seems to have sprung up. In early July, about 100 Mai-Mai militiamen armed with machetes, knives and a few odd firearms attacked Kangwayi prison in Beni and freed 250 inmates, according to Radio Okapi. Local sources claim the attackers belonged to the *Union pour la réhabilitation de la démocratie au Congo* (URDC), led by 'General' **Hilaire Kombi** and recruited from Mbusa's Nande people, who form the majority in the province and are backed by many prominent people.

## 'APPOINT ME'

Kengo wa Dondo, who had recently joined Kabila's reconciliation efforts, tells everyone that the negotiations should lead to a government of national unity and that he would make a good prime minister to take over from **Augustin Matata Ponyo Mapon**. Many in the presidential alliance fear the idea of such national unity. In Katanga, the Baluba ethnic group, holding seven ministries, do not want it because it could mean admitting people from other regions and so weaken their position.

Since early June, the start of the reconciliation talks has been constantly postponed. The politicians keep on bargaining about who should take part. Traditional chiefs want to be involved. Kengo and Minaku have proposed including the majority and opposition parties, civil society and exile organisations but not the armed movements. Many in South Kivu feel the armed groups must be involved if the wars in the east are ever to end.

Negotiations continue about how many people should take part in discussions. Initially the ceiling was to be 600; now the target is 700. Bargaining is under way about the share of each movement, the *per diem* allowance for participants and whether they should enjoy immunity from prosecution. Then comes the matter of the agenda: the opposition insists that the legitimacy of Kabila's presidency be discussed, while Kabila wants merely to reinforce the strength of the government he runs and to stop the eastern violence. Other topics proposed include governance, the economy, disarmament, rehabilitation of ex-fighters, inter-communal conflict and decentralisation.

Unleashing such a wide discussion must imply freedom of speech for the participants and that could evolve into denunciation of the regime. The big risk for Kabila is that his attempt to create consensus might open the floodgates of opposition. Veterans may recall the Sovereign National Conference, which in 1991 ended up endorsing Kabila's arch-enemy, Etienne Tshisekedi as Prime Minister (AC Vol 46 No 13). ●

## CONGO-KINSHASA/RWANDA

# Kivu on the brink

**The M23 rebels have suffered heavy losses, so Kigali may have to choose between abandoning them or risking deeper involvement**

Tension between Rwanda and Congo-Kinshasa has escalated almost to open war after two weeks of renewed fighting in eastern Congo. The national army, the *Forces armées de la république démocratique du Congo*, backed by United Nations troops with an aggressive new mandate, are battling rebels of the *Mouvement du 23 mars* who are widely held to have Rwandan support. In the midst of the intense fighting, in which M23 was taking serious losses, mortar bombs and artillery rockets started to land on the Congolese town of Goma and on Rwandan territory. After Kigali blamed the shelling on the FARDC, it looked for a moment as though the Rwanda Defence Force (RDF) might enter Congo in strength. Such a move would nominally be to stop the shelling of its population but the result would be to support M23.

Only a strenuous diplomatic offensive by the UN Security Council, backed by the urgent efforts of the UN mission's new chief, **Martin Kobler**, helped to persuade Rwanda to step back from the brink, say sources in Kinshasa and Kigali. Kobler publicly said that the shells landing in Rwanda had been fired from M23 positions. There had been increasing and credible reports of Rwandan military infiltration into Congo-K in support of M23, diplomats said.

## RWANDA'S DENIALS

During the fierce fighting in the last days of August, Rwanda's diplomatic position was weakened by its opposition in the Security Council, on which it has a temporary seat, to joint proposals by the **United States** and **France** for sanctions to be imposed on two M23 leaders: Colonel **Vianney Kazarama**, the group's military spokesman, and a commander, Col. **Erick Mboneza** (AC Vol 53 No 15). Mboneza was reported to have met Rwandan officers earlier in the year, according to Reuters news agency, while Kazarama was said by Human Rights Watch to have ordered the summary execution of an alleged thief. Rwanda was alone among the 15 Council members in opposing the move, arguing that the evidence was weak. That damaged Kigali's repeated assertions that it does not support the M23.

Rwanda has repeatedly denied findings by the UN Group of Experts on Eastern Congo that it supports the M23, while the Group has stuck to its guns,

even though its more recent reports have pointed to Rwandan officers rather than the government. Kigali's latest response to the increased effectiveness of the FARDC and the new mandate of the *Mission des Nations Unies pour la stabilisation du Congo* (Monusco) has been to accuse the UN of a more partisan role in the conflict. Such claims have also weakened Rwandan support at the UN.

Congo-K's Communications Minister **Lambert Mende** claimed that Kigali had ordered the M23 to fire into Rwanda in order to provide a pretext for a major Rwandan military intervention. Kigali dismissed these claims out of hand. Yet senior Monusco military sources told *Africa Confidential* that artillery rocket-launcher cases had been discovered at Kibati, the strategic hill position dominating Goma and from which the FARDC and UN forces succeeded in dislodging the M23. The launchers match the 122-millimetre rockets that landed on Goma.

With the support of Monusco's new Force Intervention Brigade, the FARDC successfully drove the M23 from its positions in Kibati on 29 August after just over a week of often ferocious fighting. UN troops used heavy artillery and attack helicopters, piloted by **Ukrainian** UN peacekeepers, to pound M23 positions. The FIB's **Malawian, South African** and **Tanzanian** soldiers have a stronger mandate than the Monusco force which preceded them, to aggressively pursue armed groups (AC Vol 54 No 7). The FIB was formed after the M23 humiliated Monusco by occupying Goma at the end of 2012 (AC Vol 53 No 24).

When the rebels left their bases on the high ground at Kibati, some 11 kilometres north of Goma, they said they had withdrawn voluntarily to allow for an independent investigation into the source of the shells that had struck Goma and the Rwandan town of Gisenyi. Yet on 30 August when the FARDC reached Kibati, the evidence on the ground spoke of a hasty M23 retreat, including abandoned trucks and munitions. FARDC officers were in no doubt that they had forced M23's retreat and although the insurgents declared a unilateral ceasefire, fighting continued on 30 and 31 August three kilometres north of Kibati.

Earlier, on 29 August, Rwanda had made a show of deploying about 3,000 troops to its Congolese border,

accompanied by armoured personnel carriers and artillery. Diplomats in Kigali reported that, by 31 August, the armour was no longer visible. Whether the M23 was driven from the heights of Kibati by firepower or by diplomacy, the fact that the rebels are no longer there – and not able to shell Goma at will – weakens their negotiating position in any talks with the government in Kinshasa, diplomats said. Military analysts had feared the prospect of Rwandan forces joining the battle to buttress the rebel positions at Kibati.

The apparent scaling-down of Rwanda's aggressive rhetoric encouraged interested outsiders but following the M23's retreat to Kibumba, a village another 10 kilometres north of Kibati, the FARDC has stated its intention of pursuing the rebels. The M23 movement began over 18 months ago and the FARDC's current advances represent perhaps its most striking victory in all that time. The army is in no mood to hold back.

Combat at the front is at a halt while regional leaders meet in Kampala for an extraordinary summit of the International Conference on the Great Lakes Region (ICGLR) from 4-6 September. The ICGLR organised the unsuccessful negotiations between M23 and the government of Congo-K, and there is scepticism among the army and the population that further talks will lead anywhere. The UN's special envoy to the region, Mary Robinson, has consistently stated her preference for a political dialogue, sparking frustration among FARDC troops who felt they were on the verge of a decisive military victory.

Rwanda's response to the continued offensive will define the direction the conflict takes. President **Paul Kagame's** government stood by while the M23 retreated but the hawks in Kigali may not allow the rebellion to be annihilated. Whether this means sending more troops and artillery to the M23 or an open incursion is still unclear, though the latter would be hard to justify to an international community.

## SOUR RELATIONS

Rwandan military intervention would also raise the prospect of the RDF doing combat with Tanzanian UN troops, which would further sour relations between the neighbours and might risk regionalising the conflict. Rumours that Southern African Development Community countries, including **Angola**, are considering sending troops to support the FARDC have done little to allay such fears. There has also been much speculation in recent weeks about whether the bitter war of words between General Kagame and Tanzanian President **Jakaya Kikwete** had anything to do with the situation in eastern Congo (AC Vol 54 No 12). ●

## MOZAMBIQUE

# Frelimo may compromise

**Renamo's campaign for a bigger slice of public life has little support but Frelimo seems unable to capitalise on that and may make concessions**

As the *Frente de Libertação de Moçambique's* armed stand-off continues with the opposition *Resistência Nacional Mocambicana* (Renamo), Frelimo is beginning to worry about the impact on the coming elections (AC Vol 54 No 17). There is little doubt that the governing party will continue to dominate the local elections, which are due on 20 November, but they are unlikely to be the easy cruise to victory that was anticipated only a few weeks ago.

The Renamo crisis is responsible. The party has continued to boycott the electoral process and the 18th round of negotiations between the two leading parties collapsed without agreement on 27 August, as did the 19th round on 2 September. Although an election boycott favours Frelimo, failure to include the opposition in the process damages its reputation. It also helps the *Movimento Democrático de Moçambique* (AC Vol 54 No 10).

Renamo has been hurting Frelimo on the public relations front. While Frelimo's charges that Renamo is reactionary and bent on civil war do not have a big impact, Renamo's criticism of Frelimo's high-living

and party favouritism has struck a chord with the public, say local media sources.

The poor security situation has also had an impact on foreign investment. Russia's VTB Group (formerly Vneshtorgbank) announced on 23 August that it was reconsidering proposed investment in Mozambique, citing the Renamo situation as a major increase in political risk. Shipments of coal by multinational mining companies Rio Tinto and Vale through Sofala Province, a Renamo stronghold, have experienced some disruption, as has trade in areas where goods now travel by armed convoy. Large coal and gas projects announced or under way are secure, although the longer political uncertainty continues, the more investor confidence will be undermined. The gas projects in the far north have a long lead time and the current instability poses no threat to them yet.

The transport corridors under construction would be highly vulnerable to guerrilla action, if it began in earnest (AC Vol 52 No 11). Investors have already had losses because they underestimated how difficult building bulk export infrastructure would be. Rio Tinto was

forced to write down US\$3 billion from the value of coal mines it had purchased for \$4.2 bn. in 2011 and lose its then Chief Executive Officer, **Tom Albanese**, in the bargain. Adding political risk to the mix would not help.

These factors are lining up to suggest Frelimo may replace its customary scorn of Renamo as mere bandits and criminals with a more conciliatory attitude. Frelimo needs peace and to bring Renamo back into the constitutional fold. Negotiations between the two parties are deadlocked over representation on the electoral commission, the *Comissão Nacional de Eleições* (AC Vol 54 No 13). Renamo wants parity with Frelimo in representation on the CNE but this would be extremely difficult to concede. Renamo appears to be banking, however, that the violence is more likely to win concessions than the boycott of the local elections it is already committed to. It helps its position that the army has not defeated it in clashes so far.

President **Armando Guebuza** faces a dilemma. If Frelimo resorts to military repression, it risks provoking an insurgency and damaging investor confidence. If it does nothing, the opposition could gain even more. Concessions to the opposition could be on the cards. The current uncertainties are a vivid reminder that the final declaration of peace between the two parties in 1992 was no full reconciliation. Blinded by the current natural resource boom, both government and investors may find in Renamo's rebellion a reminder of unfinished business. ●

## Subscribing to Africa Confidential

The price of an **annual subscription** for a print copy (including **single-user password-driven online access**) to *Africa Confidential* is **£798\*/US\$1,317**. Reduced prices are available for academic institutions, NGO/charities and students.

The price for a **single-user password-driven online only subscription** to *Africa Confidential* is **£685\*/US\$1,130** with reductions for the same groups as listed above. Shorter periods of online subscription are also available.

NEW: Provide direct online access for all your offices and staff via the IP Multi-Site Licence option (see right).

\* Plus VAT at either 5% or 20% where applicable

### Contact

**Krystyna Boughey or Penny Lang,**

Subscriptions Department

Asempa Limited, Vine House, Fair Green, Reach,  
Cambridge CB25 0JD, UK

Tel: +44(0)1638 743633 Fax: +44(0)1638 743998

Email: [subscriptions@africa-confidential.com](mailto:subscriptions@africa-confidential.com)

or apply online at: [www.africa-confidential.com](http://www.africa-confidential.com)

### IP Multi-Site Licences

Online access via an IP licence provides access for all your staff wherever they may be located in the world. The cost is determined by how many people you want to be able to access the site at the same time. Prices start at **£2,008/US\$3,315** for 1-2 concurrent users (plus VAT where applicable).

### FREE for all Annual Subscribers

Access to the *Africa Confidential* archive  
All annual subscribers have full access to the searchable archive of *Africa Confidential* issues dating back to 1999. See [www.africa-confidential.com](http://www.africa-confidential.com)

**AAC**  
**AAC**  
**AAC**  
**AAC**

### Africa-Asia Confidential

**Out now. Special savings are available to Africa Confidential subscribers for this monthly, 8-page newsletter analysing the Asia/Africa axis.**

## POINTERS

### Madagascar

#### MERRY-GO-ROUNDS

■ The date has been set for the first round of the long-awaited presidential election: 25 October. A second round, if needed, and the parliamentary polls follow on 20 December. The new dates were decided after the newly-appointed Special Electoral Court, the *Cour Electorale Spéciale*, decided to disqualify eight presidential candidates whom it held in breach of electoral law (AC Vol 54 No 17).

They included coup leader **Andry Rajoelina**, ex-President **Didier Ratsiraka** and **Lalao Ravalomanana**, wife of ousted President **Marc Ravalomanana**. The Southern African Development Community, which acted as mediator, is happy, as are the African Union, European Union and other international actors. Madagascar itself is less so. Some think the solution too easy and that a legal challenge will again throw the electoral process off course. Others argue that the new list of 33 candidates (32 carried over from the previous list plus one new one chosen by two of the disqualified contestants) is no better than the previous one nor less arbitrary. Supporters of the *Mouvance Ravalomanana*, the big loser in the lists shuffle, are especially aggrieved. It refused to name a replacement for Lalao Ravalomanana and it is unclear whom loyalists will vote for instead.

Ironically, Rajoelina has come out winner. The leader of the *Haute Autorité de la Transition* graciously accepted the Court's decision on 23 August and declared himself ready to step down. Yet with half a dozen allies running for president, he is virtually guaranteed a good government job—possibly prime minister—if one of them wins. Reports suggest that current Finance Minister **Hery Rajaonarimampianina** is Rajoelina's choice for the presidency.

Politicking aside, the elections will still take a lot of organising. About 250,000 people still need identity cards and the *Commission Electorale Nationale Indépendante pour la Transition* must launch a campaign to educate electors on how to use the new ballot paper.

### Congo-Kinshasa

#### YET ANOTHER FRONT

■ Ever since a major attack in mid-July at Kamango, in the Beni area of North Kivu, observers have wondered why the Allied Democratic Front-National Army for the Liberation of **Uganda** is fighting after a long period of dormancy. The Beni attacks followed fierce fighting with Kinshasa's forces and sent 66,000 refugees into Uganda. The Islamist ADF-NALU has 800-

1,200 fighters, says the United Nations Group of Experts on Eastern Congo, which in July noted persistent reports that it had been recruiting in Uganda and **Burundi** in the first half of 2013. The Experts also said that the militia had been receiving funds from London, **Kenya** and Uganda, and taxing local motorcycle taxis and gold and timber exporters. The group has made no public statement, however.

The ADF-NALU was founded in the early 1990s and started serious military operations against Uganda in 1996 (AC Vol 41 No 7). It was sponsored by the Islamist **Sudanese** government, partly in retaliation for Kampala's support of the Sudan People's Liberation Army. Khartoum's support for the ADF-NALU explains the movement's resurgence, says **French** Sudan specialist **Gérard Prunier**. Khartoum wants to undermine President **Yoweri Museveni's** government, which supports the opposition Sudan Revolutionary Front, and at the same time, he says, pressure **South Sudan** by fuelling more unrest along the route of Juba's planned oil pipeline.

Ugandan military intelligence claims that members of **Somalia's Al Haraka al Shabaab al Mujahideen** are assisting the ADF-NALU and Prunier agrees. The UN Experts say they are investigating these links.

### Swaziland

#### NEW NAME, SAME GAME

■ Inspired by a vision from God, King **Mswati III** has declared his country a 'monarchical democracy'. This will make it clear to the international community that Swaziland is a democracy, said the absolute monarch's spokesman.

That is unlikely. Political parties are not recognised and the People's United Democratic Movement (Pudemo) has been branded a terrorist group. Those who stand for legislative elections do so as individuals, preventing any opposition group from gaining momentum, inside or outside Parliament.

The election season reaches its climax on 20 September. Local chiefs, on whom impoverished rural Swazis depend for food handouts and land, have vetted potential candidates. Allegations of ballot-box tampering and vote-buying attended the 24 August primary but Chief **Gija Dlamini**, Chairman of the Elections and Boundaries Commission and the King's half-brother, told local media that only Jesus could have run things perfectly.

Several trades unions, now the de facto opposition parties, and Pudemo are boycotting the polls. Others, including respected labour veteran **Jan Sithole** of the Swazi Democratic Party, will take part in the hope of influencing from inside the system (AC Vol 41 No 24). Their critics say they will simply be swallowed up by patronage or silenced.

**Marwick Khumalo**, a former member of parliament for Lobamba Lomdzala, has been sidelined by corruption charges. His party, *Sive Siyinqaba*, styles itself as conservative and pro-monarchy but Khumalo is an increasingly critical voice.

Five ministers lost in the primaries. Mswati, who can nominate ten MPs, may pick a new cabinet to deflect responsibility for the country's economic woes on to the outgoing team. The dependence on revenue from the Southern African Customs Union leaves the country vulnerable to fluctuations. A 60% drop in 2010 left Mswati scrambling for alternate funding. In 2012, a windfall of 7 billion rand allowed the government to raise wages and quieten trades unions (AC Vol 53 No 12). It was a one-off, though.

### Ethiopia

#### DEMOS GALORE

■ The opposition *Semayawi* Party has said it will hold a demonstration on 7 September, having failed to stage a promised public show of opposition to the government in Addis Ababa on 1 September because it clashed with a pro-government demonstration. The police said the party, which held a rally of anywhere between 2,000 and 10,000 people in June, had not got a licence for its demo, which clashed with a planned march to 'denounce extremism', organised by the Addis Ababa Inter-Religious Council.

Opposition websites said that in fact *Semayawi* had applied for permission back in June. Police raided the party headquarters and arrested about 100 party members on 31 August, according to opposition media.

The official media did not comment on the arrests but paid fulsome tribute to the other march, which attracted 'millions of Addis Ababa residents', according to the pro-government Walta Information Centre. It quoted slogans such as 'Extremism only represents to rent-seekers but not to the public! Our renaissance journey will never be impeded by extremists' fantasy!' The Council claims to represent five Ethiopian churches and the Ethiopian Islamic Affairs Supreme Council, whose recent elections were alleged to have been manipulated by the government.

Few doubt that the demonstration was the latest strike in the government campaign against the Addis Ababa mosque leaderships, which have been insisting on electing their own council leaders. The trial of 29 Muslim protesters against the government in Addis Ababa last October has still not been heard in full and no dates have been given for its resumption (AC Vol 53 No 22). All the signs point towards the government not giving in to the Muslims; the *Semayawi* Party's chances of being allowed open protest are far better.