

SUPPORTING AUSTRALIAN MINERALS AND ENERGY SUCCESS IN AFRICA

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Africa - General

Africa... A challenge for Japan

In spite of Japan retaining the position of fourth largest donor in the world, with US\$ 14.2 billion (AUD 21 billion) in development aid granted in 2018 and experiencing its longest growth period in thirty years, the archipelago is not guaranteed to have the means to finance its ambitions on the international scene. Hence the urgency for Prime Minister Shinzō Abe to negotiate new free trade agreements for his country.

Within this strategy, Africa is a key partner. The continent is one of the only countries to have seen its trade increase in both directions last year, as well as the amounts of development aid granted by Japan. Foreign direct investment (FDI) is also maintaining its momentum, even though South Africa accounts for nearly two-thirds, making it the only country on the continent to be among Japan's top 20 economic partners and that Japanese companies remain concentrated in only a dozen countries.

However, it is not sure that it is enough, for Japan's private and public sectors combined, to raise the \$ 30 billion pledged to the continent in 2016, in the aftermath of the Sixth Tokyo International Conference for Africa's Development (Ticad 6).

Hence Tokyo's desire to forge partnerships with other countries to invest more in Africa. Many Indian, European and even Chinese companies were invited to Yokohama at the end of August 2019 in order to inaugurate financial and technical cooperation for Japan.

Africa is thus still waiting for the promised Japanese private sector. Admittedly, the number of Japanese companies present in Africa has never been higher with 687 companies listed today. But it remains well below the thousands of Chinese firms that have established themselves in recent years across the continent.

Report based on sources: 'L'Afrique, un enjeu national pour le Japon'. Jeune Afrique, 9 August 2019 by Olivier Caslin

https://www.jeuneafrique.com/mag/812204/economie/lafrique-un-enjeu-national-pour-le-japon/?utm_source=newsletter-ja-eco&utm_medium=email&utm_campaign=newsletter-ja-eco-08-08-19 and,

'L'heure de vérité pour les relations Japon-Afrique'. Jeune Afrique (Tribune) 9 August 2019 by Oussouby Sacko

<https://www.jeuneafrique.com/mag/812206/economie/tribune-lheure-de-verite-pour-les-relations-japon-afrique/>

Miners contest Oxfam claims of profit grabs in Africa

Australian miners singled out in a recent report by Oxfam have expressed their disappointment in the allegations made within the report. In its recently released Tax Justice Network Tax Extractives report, Oxfam alleged that in 2015, as much as \$1.1 billion in profits were shifted out of Africa by Australian miners operating in the region. The report noted that these companies could be responsible for the loss of an estimated \$289 million in government tax revenues, claiming that its investigation indicated that the miners had financial and corporate arrangements in place that could have led to significantly less tax than "the public should expect".

The report claimed that despite "huge" revenues for each of the three Australian miners that were identified, the governments of Ghana, Sierra Leone and the DRC had received on average between 0% and 0.9% of the revenues in corporate income tax between 2009 and 2015, with the report also pointing out that the corporate tax rates in these countries were at 30%.

Summarising the companies' responses, the companies firmly rejected any assertion that they may have misreported amounts paid or transferred: Their annual reports and accounts are regularly audited by internationally reputable accounting and audit firms; Payment of royalties are clearly disclosed in annual reports and; The Oxfam report fails to consider direct investments made into social development initiatives aimed at increasing the development outcomes to its host communities.

The Australia-Africa Minerals and Energy Group (AAMEG) also raised issues with the report, with CEO Bill Witham saying that the report made its conclusions based on the basic premise of assessing the amount of company tax that should be paid as a percentage of gross revenue, "The report does not give consideration to the taxable income of the relevant companies, despite this being the basis for paying income tax in almost all jurisdictions around the world. As a result of this basic premise, investment in capital and operating costs which are incurred upfront and often for substantial periods prior to the generation of any revenue by the company are ignored. The report also does not factor in the large contributions made to these countries by mining companies through other mechanisms, such as royalties and payroll taxes paid, local employment and VAT generated for the host government".

Report based on source: 'Miners contest Oxfam claims of profit grabs in Africa'. Mining Weekly, 30 July 2019 By Esmarie Iannucci https://www.miningweekly.com/article/miners-contest-oxfam-claims-of-profit-grabs-in-africa-2019-07-30/rep_id:3650

China-Africa – a winning tandem for development

While Beijing relies on its African partners to become a major player in globalisation, this privileged cooperation in turn allows the continent to accelerate its development. It is difficult to disagree with Professor Liu Hongwu, director of the Institute of African Studies at Zhejiang University, when he states that "China is one of the most important contributors to the great leap forward achieved by Africa in the last ten years".

At the closing of the post-Focac (Forum on China-Africa Cooperation) meeting, held in Beijing 24-25 June 2019, Amadou Ba, the Senegalese Minister of Foreign Affairs, confirmed these words and reminded the local media of "the reality of these figures": 10,000 km of roads, 6,000 km of railways, 30 ports, 20 airports and 80 power plants have been completed over the last decade by Chinese firms across the continent. That does not include the 150 projects of stadiums, conference centres and other seats of Parliament that the head of Senegalese diplomacy did not mention.

For its part, China is counting on the continent to produce tomorrow's consumer goods (food, clothing ...), goods that will supply an increasingly integrated African market, thanks to the new African Continental Free Trade Zone, but also to support a Chinese economy that is evolving towards the tertiary (services) industry sector. "Hence the importance of helping Africa develop its own capabilities," insists Zhang Jianping.

In spite of its economic strength, China understands it will not be able to grow alone: the time is therefore right for multilateralism along the roads of the 'Belt Road Initiative' (BRI). This is particularly the case in Africa, where China seeks to multiply tripartite collaborations with "various development actors," as it has already succeeded with France in Togo and with India in Nigeria.

Report based on source: 'Chine-Afrique, un tandem gagnant pour le développement'. Jeune Afrique, 1 August 2019 by Olivier Caslin https://www.jeuneafrique.com/mag/809441/economie/chine-afrique-un-tandem-gagnant-pour-le-developpement/?utm_source=newsletter-ja-actu-abonnes&utm_medium=email&utm_campaign=newsletter-ja-actu-abonnes-02-08-19

US signals shift to Africa in counter-ISIS Coalition campaign

The United States will seek additional international cooperation to fight Islamic State on a global scale, with a particular focus on Africa, following the defeat of the group in Iraq and Syria, a State Department official said on Thursday, August 1.

Speaking at a press conference in Washington, State Department Counterterrorism Coordinator Ambassador Nathan Sales said the next stage of the counter-ISIS campaign will require international coordination to combat the group's expansion in Africa, Southeast Asia, and Afghanistan.

"The so-called ISIS Caliphate has been destroyed, but the ISIS brand lives on around the world," Sales said, speaking alongside U.S. Envoy to the anti-ISIS Coalition James Jeffrey. "We are now working closely with our partners to identify focus regions for the Coalition, and expect to have more clarity soon on where we intend to be active." Sales said a Coalition meeting on the situation in West Africa and the Sahel is set for autumn.

"In Africa, ISIS-linked groups are on the rise. ISIS-linked groups now span the African continent from east to west, from north to south," Sales said. "They've increased the lethality of their attacks, they've expanded into new areas, and they repeatedly target U.S. interests," he said, referencing the killing of four U.S. Special Forces members in Niger in October 2017, which he said was carried out by "ISIS affiliates."

Sales also referenced the killing of "hundreds of Nigerian forces in the past year" by Islamic State West Africa Province, and a May attack in Tongo Tongo in northern Niger in May, in which ISIS claimed its West Africa Province fighters killed 40 Nigerien soldiers.

Local armed groups in the Democratic Republic of Congo and Mozambique are now "publicly aligning themselves with ISIS," Sales said.

Sales said the U.S. government believes a number of Africans who traveled to fight for ISIS in Syria and Iraq, have "returned home to either found or enrich existing ISIS affiliates."

Sales also said the U.S. was working to "revitalize" its counterterror cooperation with Sri Lanka following the Easter bombing that killed 258 people. He also referenced the growth of ISIS in Afghanistan, calling the group's Khorasan Province affiliate "one of the most dangerous ISIS affiliates in the world."

Source : The Defense Post

Cameroon

Victoria Oil & Gas Plc signs Term Sheet to supply gas to Douala Power Station

Victoria Oil & Gas Plc, whose wholly-owned subsidiary, Gaz du Cameroun S.A. ("GDC"), is the fully integrated onshore gas producer and distributor with operations located in the port city of Douala, Cameroon, has announced that it signed a non-binding term sheet with Aksa Enerji Uretim A.S. ("Aksa Energy") to supply Akxa Energy with up to 25 mmscfd (million standard cubic feet per day) of gas to Akxa Energy's planned 150MW power station, to be located in Bekoko, Douala, Cameroon.

The Term Sheet is subject to various conditions precedent, but the key commercial terms between Akxa Energy and GdC include: a gas price of US\$6.75 per MMBtu; a 25 years term, plus option to extend for an additional 5 years; and a 70% Take-or-Pay component.

Victoria Oil & Gas expects this agreement to lead to a long term grid power contract requiring natural gas from GDC, giving support to the long term field development plans of GDC in Cameroon for both the Logbaba Field and Matanda Block to deliver the contracted gas for this project.

Aksa Energy is one of the largest independent power producers in Turkey, selling 14 TWh/year of energy globally.

Report based on source: Company report, 29 July 2019 (For further information, visit www.victoriaoilandgas.com)
https://polaris.brighterir.com/public/victoria_oil_gas_plc/news/rns/story/r7ogkix/export

Gabon

Gabon's New Mining Code To Boost Revenue, Attract Investment

Ali Bongo, President of Gabon. Photo by Foreign and Commonwealth Office, Flickr.

In a bid to boost revenue from the country's mining industry, President Ali Bongo has launched a new code that seeks to attract investors, Mining Minister Tony Ondo Mba told economic operators in the capital Libreville.

The new code is intended to improve conditions for companies and increase revenue for the state, Mba said.

Adopted by parliament in November, the code came into effect in July. It will reduce corporate tax by cutting fees on mineral exports and extend the time frame of operating licenses from 10 to 20 years, providing a stronger legal framework for mining titleholders and improving traceability and transparency, Mba said. The measure also aims to shift the use of revenue toward social development.

"The new mining code provides for a new fiscal model that allocates 20% of mining tax revenues to local populations for the implementation of community projects," Valery Nzogue Angone, legal adviser to the finance ministry, said.

Gabon's economy depends largely on world demand for manganese and oil. As the Central African nation seeks to make its economy less dependent on oil and boost the mining industry's contribution to gross domestic product, the government is looking at attracting investors into mineral resources including manganese, gold and iron ore.

Crude sales produce about 30% of state revenue, however recent fluctuations in world market prices and slowing production in OPEC's second-smallest member has affected income. A revised hydrocarbons code that came into effect last month is more fiscally attractive than the previous one, according to Noël Mboumba, Gabon's petroleum minister.

The adoption of the new code has been delayed as President Ali Bongo, 60, has been spending months abroad recovering after suffering a stroke last year.

Source: Bloomberg News | August 4, 2019 | 8:15 am Intelligence Africa Gold Iron Ore Oil & Gas

40 Million Euros for the Port of Owendo

Inaugurated in October 2017 for a treatment capacity of 4 million tonnes per year, the New Owendo International Port (NOIP) has recently been extended. A new phase of expansion, completed at the end of the first half of the year, saw the extension of the wharf by an additional 380 meters, while the storage area and the waterdraft have also been increased. The objective is to increase the capacity of the port located 18 km south of Libreville, by 4 million tons.

The loan facility granted by the Emerging Africa Infrastructure Fund (EAIF), is part of an investment program of 305 million euros.

The agreement between Gabon Special Economic Zone Ports (GSEZ Ports) and EAIF covers a senior secured debt of 40 million euros, with a maturity of fifteen years. This loan completes funding - also 40 million euros - signed last April by the African Development Bank (AfDB).

The EAIF grants loans to finance infrastructure in emerging countries worth between \$ 10 and \$ 50 million, with a maturity of between 15 and 18 years, longer than other investors,. The fund is a subsidiary of the Private Infrastructure Development Group, an institution financed by international cooperation (IFC, Australia, Germany, Netherlands, United Kingdom, Sweden, Switzerland) with a staffing of \$ 3 billion.

Report based on source: 'Gabon : 40 millions d'euros pour le port d'Owendo'. Jeune Afrique, 9 August 2019 by Joël Té-Léssia Assoko https://www.jeuneafrique.com/814816/economie/gabon-40-millions-deuros-pour-le-port-dowendo/?utm_source=newsletter-ja-eco&utm_medium=email&utm_campaign=newsletter-ja-eco-09-08-19

Gabon's ambition is to increase production and renew reserves

Gabon is trying hard to attract investors. On 16 July the country adopted a new hydrocarbons code and aims to recover its position since the fall in oil prices in 2014, as outlined by the Minister of Petroleum, Noël Mboumba, in a recent interview with Jeune Afrique.

The new petroleum code promulgated on 16 July 2019, is a positive response to long-awaited industry expectations, as it translates into a relaxation of the tax burden. The corporate tax, which used to be 35% of profit oil and was a crippling factor for investors, is reduced to zero. In addition, the Proportional Mining Charge (RMP) - the compensation that companies must pay for the exploitation right - goes from a minimum of 9% for offshore to a minimum of 5%. Recovery of oil costs has improved a little: from 65% to 70% in the conventional zone, but it remains 75% offshore.

Report based on source: 'L'ambition du Gabon est d'accroître la production et de renouveler les réserves' Jeune Afrique, 2 August 2019 by Caroline Chauvet <https://www.jeuneafrique.com/811400/economie/petrole-lambition-du-gabon-est-daccroitre-la->

Guinea

India to sign US\$251 million agreements with Conakry

After visiting Benin and The Gambia, the Indian president arrived in Conakry on 1 August. During his three-day stay, a series of agreements were signed totalling \$ 251 million (AUD 370 million) destined for various sectors of the economy.

In the mining sector, the Indian company Ashapura Mining is to take over the Yomboyeli iron ore mine, abandoned by the bankrupt company Forecariah Mining, while Jaguar Dynamic Mining is interested in the bauxite of Boke and Gaoual in the west of the country, to date the exclusive region of operation of the SMB-Winning Consortium. In 2014, the SMB-Winning consortium brought together four global partners in mining, production and transportation of bauxite: Singapore's Winning Shipping Ltd., a leading Asian shipping company; the Yantai Port Group; UMS, a transport and logistics company with more than 20 years' experience in Guinea; and Shandong Weiqiao, a leading Chinese producer, with the Republic of Guinea, having a 10% shareholder in the consortium.

Since its inception, SMB-Winning has invested more than US\$ 1 billion (AUD 1.47 billion) in its extractive activities in the Boké region. The consortium, which directly employs more than 9,000 people, has two river ports (for more information: www.smb-guinee.com).

Report based on source: : 'Guinée : l'Inde va signer des conventions pour 251 millions de dollars avec Conakry'. Jeune Afrique, 31 July by Diawo Barry

<https://www.jeuneafrique.com/811052/economie/guinee-linde-va-signer-des-conventions-pour-251-millions-de-dollars-avec-conakry/>

Mali

Peace agreements in central Mali between Fulani and Dogon armed groups

Government officials have affirmed that during a planned visit by Prime Minister Boubou Cissé, agreements aimed at ending hostilities between Peuhl and Dogon have been signed by their armed groups, these ethnic groups having been tearing each other apart for many months in several localities in central Mali.

These peace agreements were concluded in the communities of Macina, Djenné, San, Ténenkou and Niono (regions of Mopti and Ségou) by a dozen Fulani armed groups and dozo traditional hunters, including members of the Dogon community.

Since the emergence in 2015 in central Mali of the jihadist group of preacher Amadou Koufa, recruiting primarily among the Fulani, traditionally breeders, clashes between the Peuhl community and the Bambara and Dogon ethnic groups, mainly engaged in agriculture, have greatly increased, leading to the creation of initially "self-defence groups", later evolving into groups committing crimes in the pursuit of murderous reciprocity.

Report based on source: 'Mali : Accords de paix entre groupes armés peuls et dogons dans le centre'. Jeune Afrique, 6 August 2019 by Jeune Afrique avec AFP

https://www.jeuneafrique.com/813192/politique/mali-accords-de-paix-entre-groupes-armes-peuls-et-dogons-dans-le-centre/?utm_source=newsletter-ja-actu-abonnes&utm_medium=email&utm_campaign=newsletter-ja-actu-abonnes-06-08-19

UN force, MINUSMA, conscious that its response must go beyond security

While critics are increasingly virulent about the failure of the "all-security" strategy in the resolution of the crisis in Mali, Loubna Benhayoune, in charge of the program "Stabilisation and Recovery", emphasises that the UN mission is making progress on the humanitarian front, but that "in a context of asymmetrical warfare", security is a prerequisite.

Report based on source: 'Mali : La Minusma est consciente que la réponse ne peut pas être uniquement sécuritaire'. Jeune Afrique, 5 August 2019 by Aïssatou Diallo

https://www.jeuneafrique.com/812195/politique/mali-la-minusma-est-consciente-que-la-reponse-ne-peut-pas-etre-uniquement-securitaire/?utm_source=newsletter-ja-actu-abonnes&utm_medium=email&utm_campaign=newsletter-ja-actu-abonnes-06-08-19

Mauritania

Smooth handover between President Abdelaziz and Ghazouani

All who had hoped for, or feared, a fall out between President Mohamed Ould Abdelaziz and his elected successor, Mohamed Ould Ghazouani were disappointed, as in the inauguration ceremony on 1 August, both spoke in praise of each other.

Mohamed Ould Abdelaziz spoke first. He pointed out that Mauritania had become a land of "tolerance, justice and equality", before adding that the country had won a decisive victory over terrorism. It had increased its infrastructure and improved its business climate. Moreover, it now offered its inhabitants "access to basic services of quality" and its GDP had doubled between 2009 and 2018. Its foreign exchange reserves had increased from 1.5 to 7 months of imports.

After taking the oath and receiving the medal and the ribbon of his new office, President Ghazouani took the floor. In addition to a tribute to his predecessor for "putting the country on the path of democracy" and the Mauritanian people for its "maturity", he reiterated three points dear to him.

The first point concerns the future political climate he wishes to be "serene and peaceful". For this, he said, "I will work to create a natural and serene [political] climate in which each will play their constitutional role according to their political disposition" and the opposition will be listened to. He promised to "remain open" to the entire political spectrum throughout his mandate, understanding that "Mauritania needs us all, majority and opposition".

Second concerns "the strengthening of national unity, social cohesion and equality of citizens" that the new president knows is seriously threatened by the inequalities and marginalisation of ethnic groups, such as the Haratines (Black Moors, descendants of slaves) and Negro-Africans (Peulh, Soninké, Wolof). Confirming his plan to institutionalise "positive discrimination" in January 2020, he announced that he "will pay the greatest attention to vulnerable groups and to those who have suffered historically from any form of marginalisation, through special programs and targeted interventions. "

His third concern was for the economy, which he wants to make "productive and diversified", requiring him to focus on other sectors of the economy than mining, fishing and 'tomorrow's gas', and "promote a competitive private sector that is a real engine of the economy".

He ended his speech with a pledge to "overhaul" the education system, saying he was conscious that the rich put their children in private education and that the poor in faltering public education. The public system achieving less than 8% of success in passing students in last year's Baccalaureate.

Report based on source: 'Mauritanie : passation de pouvoir en douceur entre les présidents Aziz et Ghazouani'. Jeune Afrique, 2 August 2019 by Alain Faujas

https://www.jeuneafrique.com/811757/politique/mauritanie-passation-de-pouvoir-en-douceur-entre-les-presidents-aziz-et-ghazouani/?utm_source=newsletter-ja-actu-abonnes&utm_medium=email&utm_campaign=newsletter-ja-actu-abonnes-02-08-19

Senegal.>

“There exists a real need for health and safety training in Senegal”

The Abu Dhabi-based conglomerate, Der Mond Group, launched the "Der Mond Academy" in Dakar in June this year. This institute offers professional training in hygiene, safety and the environment and is aimed at all Senegalese that wish for training in these fields, as well as any companies of the West African region specialising in these fields.

Der Mond Group, already present in the trading of metals, precious stones (diamond, gold, silver, platinum, etc.) and hydrocarbons was conceived by the Senegalese, Khadija Ba. In partnership with the Swiss group Techma-Iota, the Der Mond Academy has begun delivering training in Health, Safety and Environment (HSE) since 1 July to professionals from various sectors of activity (Oil & Gas, Extractive Industries, Services).

Its goal ? Establish an HSE culture in companies in Senegal and the sub-region, in view of the future development of the oil and gas sector, explains Fatou Kiné Ba, Project Manager at the Der Mond Academy.

Report based on source: 'Fatou Kiné Ba (Der Mond Académie) : Il existe un vrai besoin de formation en hygiène et sécurité au Sénégal'. Jeune Afrique, 9 August 2019 by Amadou Oury Diallo

https://www.jeuneafrique.com/emploi-formation/814163/fatou-kine-ba-der-mond-academy-il-existe-un-vrai-besoin-de-formation-en-hse-au-senegal/?utm_source=newsletter-ja-eco&utm_medium=email&utm_campaign=newsletter-ja-eco-09-08-19

In the first quarter, Côte d'Ivoire is the largest foreign investor in Senegal

Côte d'Ivoire has become the leading provider of foreign productive investment in Senegal in the first quarter of 2019, according to the Senegalese National Agency for Statistics and Demography.

According to a report by the institution, Côte d'Ivoire has invested about 13.51 billion FCFA (AUD 34 million) in the Senegalese economy in the first quarter of this year. It is ahead of Switzerland, which has invested CFAF 9.08 billion (AUD 22.6 million), Sweden with CFAF 8.8 billion (AUD 22.1 million) and China which has invested CFAF 8.66 billion (AUD 21.5 million).

Most of Ivorian investments in Senegal were within the secondary sector. Thus, CFAF 12.9 billion (AUD 32.3 million) was injected into the construction of an oil mill, CFAF 580 million (AUD 1.5 million) in the implementation of two projects in the packaging industry while 28, CFAF 4 million (AUD 71,000) enabled the establishment of a project on medical imaging.

Note that in total, Côte d'Ivoire provided 10.6% of the total volume of foreign productive investment captured by Senegal, which themselves accounted for 41.5% of investments recorded by the country during the first quarter of 2019.

Report based on source: 'Au premier trimestre 2019, la Côte d'Ivoire a été le premier investisseur étranger du Sénégal'. Agence Ecofin, 26 July 2019 by Moutiou Adjibi Nourou

https://www.agenceecofin.com/economie/2607-68203-au-premier-trimestre-2019-la-cote-divoire-a-ete-le-premier-investisseur-etranger-du-senegal?utm_source=newsletter_10660&utm_medium=email&utm_campaign=ecofin-mines-26-07-2019

Sudan

Military and opposition have agreed on a constitutional declaration

Sudan's ruling military council and main opposition coalition have agreed and signed a constitutional declaration which will pave the way for a new period of transitional government. The document outlines the terms of a three-year transitional period agreed last month by the military council and opposition leaders. The power-sharing deal envisages a governing body of six civilians and five generals.

A draft of the declaration seen by Reuters news agency said the paramilitary Rapid Support Forces (RSF), which have been accused of killing protesters, will now fall under the general command of the armed forces, and the intelligence service will be co-supervised by the sovereign council and the cabinet. The deal on the declaration came after the military council announced that nine RSF soldiers had been dismissed and detained in connection with the killing of protesters, including four schoolchildren. The deaths had prompted mass demonstrations across the country and caused delays in the talks. The military and protesters have reached several agreements, with each side fleshing out new details as they try to overcome suspicion and build a working relationship.

They have so far agreed on the following:

- Power-sharing will last for 39 months
- A sovereign Council, cabinet and legislative body will be formed
- A general will head the council for the first 21 months, a civilian for the remaining 18
- A prime minister, nominated by the pro-democracy movement, will head the cabinet
- The ministers of defence and interior will be chosen by the military.

The long transition period is seen as a victory for the pro-democracy movement - the generals had threatened a snap election after the 3 June crackdown. They argue that Mr Bashir's regime was so deeply entrenched that it will take time to dismantle its political network and open the way for free and fair elections.

Report based on source: 'Military and opposition have agreed on a constitutional declaration'. BBC online news 3 August 2019 <https://www.bbc.com/news/world-africa-49213901>

Tanzania

Tanzania enters deal with Chinese firms for construction of modern bridge

The Tanzanian government and Chinese groups China Civil Engineering Construction Corporation and China Railway 15th Bureau Group have signed an agreement to construct a 3.2KM bridge over parts of Lake Victoria. The bridge will connect the Kigongo and Busisi areas in Mwanza region and will reduce transport time and facilitate trade among countries in the region.

Source: Africa Business Communities

Tunisia

Tunisia's President dies

The essentials: Béji Caïd Essebsi died on Thursday, aged 92. He was Tunisia's first democratically elected President and the world's oldest serving Head of State. Speaker of the Parliament Mohamed Ennaceur was sworn in as interim President. A permanent successor will be elected on 15 September.

The context: Tunisia was the birthplace of the "Arab Spring" in 2011. After months of protests, long-time ruler Zine El Abidine Ben Ali fled the country, leading to consecutive interim governments and the country's first democratic elections in October 2011, which led to the formation of a constitutional council. President Essebsi was elected in December 2014, after his party Nidaa Tounes won the parliamentary election a few months earlier.

The 92-year old Essebsi was generally perceived as an integrative figure, intent on leading the country through a tumultuous time while protecting the spirit of the 2011 revolution. He proposed several reforms aimed at strengthening the rights of women and the right to vote, most of which were stalled by political infighting in his party and opposition by the conservative Ennahda party. But at the same time, he fought a bitter power struggle with Prime Minister Youssef Chahed, which resulted in Chahed leaving Essebsi's party.

The good: Essebsi will be remembered as a transformative politician, not for flair and bombast, but for his capacity to integrate Tunisia's various competing social and political factions into a national dialogue. His presence and guidance was essential in helping Tunisia avoid both a relapse into autocracy, like Egypt, or a disintegration into violence, like Libya.

The bad: With Essebsi leaving the stage, Tunisia's many political conflicts remain unresolved. While Essebsi had ruled out running for another term and was scheduled to step down in a few months anyway, his continued presence would surely have helped to guarantee a continued dialogue between parties and social currents. His untimely death has also slightly changed the electoral calendar, which probably upended the political calculations of the major parties, introducing a certain level of uncertainty into the coming months.

The future: Instead of waiting for the results of the parliamentary elections in October before deciding on a candidate to run for the presidency, Nidaa Tounes, Prime Minister Chahed's Tahya Tounes and Ennahda will have to make their decisions now. Ennahda refrained from running a candidate in 2014, which lowered fears by secularists of the conservative Islamist party taking control of the state. Tunisia also continues to be confronted with substantial economic hardship. Different approaches both to social and economic policy, as well as interpretations of the legacy of the 2011 revolution will dominate the coming campaigns.

Report based on source: 'Tunisia's President dies'. Africa Insiders', Newsletter #71 30 July 2019 by Africa for insiders

Uganda

China's CNOOC says it aims to take a stake in Ugandan oil pipeline

Chinese oil firm China National Offshore Oil Corporation (CNOOC) aims to take a stake in an oil pipeline being developed to export Ugandan crude, the firm said on Friday. Uganda discovered crude oil reserves about 13 years ago, but commercial production has been delayed partly because of a lack of infrastructure, such as an export pipeline.

The 1,445 km East African Crude Oil Pipeline (EACOP), costing \$3.5 billion, will pass through neighbouring Tanzania to the Indian Ocean port of Tanga. "CNOOC shall participate in the EACOP project," Aminah Bukonya, spokeswoman for the firm's Ugandan unit, told Reuters, adding that the level of its equity stake would be determined by the joint venture partners. CNOOC jointly owns Uganda's oil fields with France's Total and Britain's Tullow.

Total has previously said it was interested in financing the pipeline. Tanzania and Uganda are both expected to take stakes. About two thirds of the pipeline's cost will be financed by debt and a Ugandan unit of South Africa's Standard Bank Group and Japan's Sumitomo Mitsui Banking Corp are jointly helping to raise the credit.

Ugandan officials have said the government is now aiming to have commercial crude production start in 2022. Government geologists estimates the country's reserves, in the Albertine rift basin near the border with Democratic Republic of Congo, at 6 billion barrels.

Bukenya said CNOOC also planned to produce gas and use some of it to generate up to 42 megawatts of electricity for the company's use and for sale to the national grid. Energy Minister Irene Muloni said in December that Uganda's oil fields had associated natural gas reserves estimated at 500 billion cubic feet.

Report based on source: 'China's CNOOC says it aims to take a stake in Ugandan oil pipeline'. Reuters 26 July 2019 By Elias Biryabarema <https://www.reuters.com/article/uganda-oil/chinas-cnooc-says-it-aims-to-take-a-stake-in-ugandan-oil-pipeline-idUSL8N24R1SZ>

End report