



Africa Report

August 2023



Introduction

- The August Africa Report covers the outcomes of the recent 15th BRICS Summit held in South Africa, as well as the outcomes of SADC's 43rd Ordinary Summit of Heads of State and Government.
- From a security perspective, the report analyses the African Union's decision to suspend Niger from all its activities until the restoration of constitutional order, as well as a speedy withdrawal by the United Nations' peacekeeping mission from Mali, due to the deteriorating security situation in the country.
- From an economic perspective, the report covers the reinstatement of the fuel subsidy in Kenya after months of violent protests, and the World Bank's funding of 1000 mini solar power grids projects in Nigeria.
- The report analyses the outcomes of the recent elections in Zimbabwe, the seizure of power in Gabon by the military following the recent elections, as well as the Constitutional Court's decision to approve the outcome of the referendum in the Central African Republic.



POLITICAL UPDATES

15th BRICS Summit

- From 22 to 24 August, South Africa hosted the 15th BRICS Summit in Sandton, Johannesburg – the first BRICS Summit to be hosted in person since the emergence of the COVID-19 pandemic and the subsequent global restrictions.



- The Summit was attended by the leaders of Brazil, India, China, and South Africa. By mutual agreement, President Vladimir Putin of the Russian Federation did not attend the Summit due to the warrant of arrest issued against him by the International Criminal Court. However, He was represented by Foreign Affairs Minister, Sergey Lavrov.
- Announcing the outcomes of the Summit, President Cyril Ramaphosa said, “as leaders, we addressed our expectations for the BRICS economic partnership to generate tangible benefits for our communities and deliver viable solutions for common challenges faced by the global South”.

- Among key Summit resolutions were:
 - Commitment to inclusive multilateralism and upholding international law, including the purposes and principles enshrined in the United Nations Charter;
 - Commitment to the peaceful resolution of differences and disputes through dialogue and inclusive consultation;
 - A call on multilateral financial institutions and international organisations to play a constructive role in building global consensus on economic policies; noting the global momentum for the use of local currencies, alternative financial arrangements and alternative payment systems, urged member countries to be ready to explore opportunities for improving the stability, reliability and fairness of the global financial architecture;
 - Tasking the BRICS Finance Ministers and/or Central Bank Governors, as appropriate, to consider the issue of local currencies, payment instruments and platforms and report back to the BRICS leaders by the next Summit.
 - Admission of Argentina, Egypt, of Ethiopia, Iran, Saudi Arabia and the United Arab Emirates to the block effective 1 January 2024.

Possible Implications

- The expansion of BRICS is largely seen as a counter-balancing mechanism in the largely unipolar world order. With the addition of Ethiopia and Egypt, the BRICS bloc now has a stronger presence in Africa. Egypt in particular has significant economic, political, and strategic importance on the continent. Their inclusion in BRICS could allow them to actively participate in shaping the agenda of the bloc, advocating for African interests, and amplifying the continent's voice on the global stage.
- At the same, the long-standing dispute between Ethiopia and Egypt over the Grand Renaissance Dam on the Nile River will inevitably be brought on to BRICS. Thus far, the African Union has not been able to successfully help the two countries to settle the dispute. Complicating matters for the African Union, which will most likely become a headache for BRICS, is the involvement of the United States albeit on the side of Egypt in the dispute.
- The inclusion of Saudi Arabia and the UAE strengthens BRICS' position in the Middle East, consolidating its presence as a major player in the region. Increased economic potential: The new members represent a combined GDP of approximately \$2 trillion, making the BRICS grouping even more economically robust. This could lead to greater investment flows and potential new market opportunities.
- By promoting the use of local currencies in trade and finance, BRICS countries aim to mitigate the impact of exchange rate fluctuations, protecting their economies from external shocks. Emphasising local currencies reduces reliance on the US dollar-dominated global financial system, although there is still some disagreements among the BRICS nations to 'de-Dollar-ise'.
- However, expanding BRICS while dealing with different economic systems and policies may pose challenges in achieving consensus. The diversity of members' economic structures, political systems, and priorities may require thoughtful coordination to ensure effective decision-making.
- Furthermore, building consensus among BRICS countries on matters such as interest rates, inflation, and exchange rates could be complex, given their distinct economic conditions. Harmonising monetary policies may require sustained effort to balance stability and growth.
- In addition, the expansion of BRICS and the focus on local currencies may raise concerns among other major economies. The response of existing global financial institutions and influential countries to this development could shape the effectiveness and perceived legitimacy of BRICS' efforts.

SADC's 43rd Ordinary Summit of Heads of State and Government



- From 16 to 17 August, the heads of all 16 member states including their envoys were assembled in Luanda, Angola for the 43rd Southern African Development Community (SADC) Ordinary Summit.
- The Summit was held under the theme: "Human and Financial Capital: The Key Drivers for Sustainable Industrialisation in the SADC Region", which sought to address population numbers, skills and technical capacity and adequate financial resources within the contexts of the 4th Industrial Revolution and climate change.
- The Summit elected João Lourenço, President of the Republic of Angola, as Chairperson of SADC, and Emmerson Mnangagwa, President of the Republic of Zimbabwe, as the Incoming Chairperson of SADC.
- On taking over the rotating presidency of SADC, Angola's President pledged to diversify sources of funding for industry and to rely less on international partners.
- The Summit received an update on the political and security situation in Lesotho and acknowledged progress made to finalise the comprehensive reforms process.
- It also endorsed the extension of the SADC Mission in Mozambique (SAMIM) by 12 months to achieve peace and security in the Cabo Delgado Province in northern Mozambique.
- Furthermore, it received an update on the security situation in the eastern DRC and endorsed the deployment of the SADC Mission in the DRC (SAMIDRC) to restore peace and security in the eastern DRC.
- The Summit noted progress in the implementation of the theme of the 42nd SADC Summit of Heads of State and Government, regarding "Promoting industrialisation through, agro-processing, mineral beneficiation, and regional value chains for inclusive and resilient economic growth.
- The Heads of State also approved the SADC Declaration on Accelerating Action to end HIV and AIDS as a Public Health Threat in the SADC Region by 2030, as well as the SADC Protocol on Employment and Labour which provides a strategic regional co-operation framework on employment and labour related matters to facilitate the achievement of decent work for all.

Possible Implications

- SADC has struggled to respond effectively to security crises in the region. For example, in countries like Mozambique, and the DRC where violent extremist groups have posed a significant threat, SADC's response has been slow and limited. Despite requests for assistance, the regional body has shown a lack of coordination and a weak collective response, resulting in ongoing insecurity and loss of lives.
- Furthermore, SADC's security mechanisms, such as the Organ on Politics, Defence, and Security Cooperation, have been plagued by weak implementation. Member states have often prioritised national interests over regional security concerns, leading to a lack of consensus and cooperation. This lack of commitment to implement agreed-upon measures undermines the effectiveness of SADC's security architecture.

SECURITY UPDATES

Niger: Junta Invites Mali, Burkina Faso to Aid its Defence, Asks the French Ambassador to Leave



- On 25 August, Niger's junta authorised troops from neighbouring Mali and Burkina Faso to come to its defence and asked the French ambassador to leave the country, raising the stakes in a standoff with other West African nations who are threatening force to reinstate Niger's democratically elected president.
 - In a joint statement, the three nations noted that, "The Burkinabe and Malian Ministers reiterated their rejection of an armed intervention against the people of Niger which will be considered as a declaration of war".
 - The main West African bloc, the Economic Community of West African States (ECOWAS) has been trying to negotiate with the coup leaders but warned it is ready to send troops into Niger to restore constitutional order if diplomatic efforts fail.
 - The main West African bloc, the Economic Community of West African States (ECOWAS) has been trying to negotiate with the coup leaders but warned it is ready to send troops into Niger to restore constitutional order if diplomatic efforts fail.
 - The junta's agreement with Mali and Burkina Faso was the latest of several actions taken by Niger's mutinous soldiers to defy sanctions and consolidate a junta they have said would rule for up to three years, further escalating the crisis after last month's coup in the country of more than 25 million people.
-



- Following the announcement of the three nation's military pact, the ECOWAS Commission president, Omar Alieu Touray, said the bloc's threat to use force to reinstate President Mohamed Bazoum was "still on the table," rejecting the junta's three-year transition plan which was proposed by the junta leader, Commander General Abdrahmane Tchiani.
- On 22 August, the African Union announced the suspension of Niger from all its activities until the military junta restores the constitutional order, while ECOWAS rejected the proposal by the junta to restore civilian rule in 3-years.
- Meanwhile, the Nigerien Ministry of Foreign Affairs said French Ambassador Sylvain Itte was asked to leave Niger within 48 hours in a letter that accused him of ignoring an invitation for a meeting with the ministry. However, while addressing diplomats on 28 August, French President Emmanuel Macron said Itte will stay in the country despite pressure to leave.

Possible Implications

- The invitation of troops from Mali and Burkina Faso as well as the expulsion of the French ambassador shows a very strong alignment between the regimes of the two countries and that of Niger in terms of having a very strong anti-Western and pro-authoritarian orientation.
- While the AU's decision to suspend Niger demonstrates the organisation's commitment to upholding democratic principles, and reinforces ECOWAS' rejection of the coup leader's civilian transition plan, their actions are highly predictable and have over many years not proven effective in deterring coups from taking place.
- Meanwhile, the military leaders' vow to retaliate against any military intervention, possibly with the aid of Mali and Burkina Faso introduces an additional layer of complexity to the situation. This vow escalates tensions and raises the risk of a violent confrontation if ECOWAS decides to follow through on its military threats.
- Overall, the crisis in Niger has wider security implications for the region. Niger plays a crucial role in regional security efforts, particularly in counterterrorism operations, given its proximity to areas of instability, such as Mali and Nigeria. Thus, a security vacuum in Niger could embolden the militants to ramp up propaganda, increase recruitment of local and even foreign fighters, establish mini states in remote areas, and plot attacks against Western countries.
- It could also open the door to Russian influence in Niger in the form of the Kremlin-backed Wagner private military company, which already has a presence in neighbouring Mali, Central African Republic and to some extent, Burkina Faso.
- Ultimately, given the complex nature of the crisis, finding a diplomatic solution through dialogue and mediation is crucial. The involvement of regional and international actors, including the AU, ECOWAS, and other stakeholders, is necessary to facilitate negotiations between the coup leaders and other political actors.

Mali: UN Forces Speed up Withdrawal as Security Deteriorates

- On 13 August, the United Nations Multidimensional Integrated Stabilisation Mission in Mali (MINUSMA) announced in a statement that it has sped up its withdrawal from the city of Ber in the north after a surge in fighting.
- In recent days, the Tuareg-led northern rebel alliance, called the Coordination of Azawad Movements (CMA), accused Malian forces and Russian Wagner Group troops of violating a ceasefire by attacking its forces near Ber. Meanwhile, the United States (US) has expressed concern over the threat of worsening violence in Mali, citing attacks on UN peacekeepers.
- Spokesman for the US State Department Matthew Miller said the attacks were "unacceptable" and condemned "such violence and the larger threat posed by armed actors operating" there.

Possible Implications

- With the peacekeeping mission speedily reducing its presence, the local population could become more vulnerable to attacks and violence. This can have a direct impact on the safety and security of civilians living in the area, potentially leading to casualties and displacement.
- The withdrawal of MINUSMA could contribute to political instability in the region. It may create a security vacuum, allowing armed groups or other non-state actors to gain influence and control over the area. This can hamper efforts towards peace and exacerbate existing conflicts.
- Meanwhile, the deteriorating security situation in Ber, coupled with the peacekeeping mission's withdrawal, may lead to a worsening humanitarian crisis. It could hinder the delivery of much-needed aid and services, especially for vulnerable populations such as internally displaced persons and refugees.
- Consequently, the speedy withdrawal of MINUSMA might pose challenges to ongoing peace processes in Mali. It could undermine efforts to achieve a negotiated settlement between the government and various armed groups, making it more difficult to reach lasting peace and stability.



ECONOMIC UPDATES

Kenya: Government Reinstates Fuel Subsidy After Months of Violent Protests



- On 14 August, Kenya's energy regulator announced the reinstatement of a small subsidy to stabilise retail fuel prices for the next 30 days, in a reversal of government policy after public anger over the high cost of living[1].
- The Energy and Petroleum Regulatory Authority (EPRA) said the maximum retail price of a litre (0.26gal) of petrol would remain constant at 194.68 shillings (\$1.35), shielding consumers from an increase of 7.33 shillings (\$0.05), which the government will shoulder through a price stabilisation fund.
- After taking office in September, President William Ruto removed fuel and maize flour subsidies put in place by his predecessor, saying he preferred subsidising production rather than consumption.

- The move was also aimed at cutting government spending as the government seeks to get a handle on debt repayments that have forced it to deny market speculation about a possible default. But the subsidy cuts as well as recent tax hikes have increased living costs and contributed to violent anti-government protests in recent months.
- Fuel prices shot up when Ruto removed the subsidies, and they spiked again in July after the government pushed a contentious law through parliament that doubled the fuel tax. The protests organised in response to that law were called off last month after the opposition and Ruto agreed to talks to resolve their differences, the second such attempt this year.

Possible Implications

- The subsidy aims to stabilise retail fuel prices, which can provide some relief to consumers who have been facing high fuel costs. This would result in a temporary reduction in the price of fuel, making it more affordable for the public.
- The cost of fuel affects various sectors of the economy, including transportation, manufacturing, and food production. With a subsidy in place, the cost of living may slightly decrease, benefiting individuals and businesses alike by reducing their operational costs. This, in turn, can contribute to economic growth and stability.
- The removal of the subsidy and subsequent increase in fuel prices ignited public anger and led to violent protests. The reinstatement of the subsidy may help ease some of the grievances and lessen the potential for social unrest.
- However, reinstating the subsidy requires government funds. The financial implications would include diverting resources to cover the cost of the subsidy. The government will need to assess its budgetary capacity to sustain the subsidy in the long term or evaluate alternative revenue sources.

Nigeria: World Bank to Help Fund 1000 Mini Solar Power Grids

- On 05 August, the World Bank's President Ajay Banga announced that the bank is aiming to help fund construction of 1 000 mini solar power grids in Africa's biggest economy Nigeria in partnership with the government and private sector[1].
- Nigeria, with a population of more than 200 million people, has installed power generation capacity of 12 500 megawatts (MW) but produces a fraction of that, leaving millions of households and businesses reliant on petrol and diesel generators.
- Mini grids, made up of small-scale electricity generating units, typically range in a size from a few kilowatts to up to 10 MW, enough to power some 200 households. Speaking during a visit to a mini grid site on the outskirts of the capital Abuja, Banga told reporters that nearly 150 mini grids had been built, partly funded by the World Bank, to bring power to communities without access to electricity.
- He also said the idea is not for the Bank to be the only institution putting in the money but that the bank put part of the money like a subsidy. World Bank data shows that in sub-Saharan Africa, 568 million people still lack access to electricity. Globally, nearly eight out of 10 people without electricity live in Africa.



Possible Implications

- The collaboration between the government, private sector, and the World Bank demonstrates the importance of public-private partnerships in addressing energy access challenges. This partnership can leverage resources, expertise, and create synergies to achieve more significant impact in the energy sector.



- The primary implication would be improved access to electricity for households and businesses that currently rely on petrol and diesel generators. This would greatly benefit the population, enhancing their quality of life and enabling economic growth.
- By increasing solar capacity, Nigeria can reduce its dependence on fossil fuels for electricity generation. This shift towards renewable energy sources will contribute to mitigating climate change and reducing greenhouse gas emissions.
- Improved access to electricity can spur economic development, attracting investment and stimulating business activities. Reliable electricity is crucial for Small and Medium-sized Enterprises (SMEs) to thrive and expand, creating job opportunities and boosting overall economic growth.
- Overall, the implications of the World Bank's funding for mini solar grids in Nigeria could result in improved energy access, reduced reliance on fossil fuels, economic development, environmental benefits, energy security, and strengthened partnerships.

ELECTION UPDATES

Zimbabwe: Awaiting Outcomes

- On 26 August, Zimbabwe Electoral Commission (ZEC) announced that President Emmerson Mnangagwa has won a second and final term in office in an outcome rejected by the opposition and questioned by observers.
- According to ZEC chairwoman Justice Chigumba, Mnangagwa won 52.6% of the vote compared with 44% for Nelson Chamisa, his main challenger. But the opposition, the Citizens Coalition for Change (CCC) also claimed to have won, saying there was widespread vote-rigging, and observers said the vote fell short of democratic standards



- Mnangagwa, who took over from longtime leader Robert Mugabe after a 2017 army coup, was widely expected to secure re-election despite the country's continuing economic crisis, as the contest was heavily skewed in favour of the ZANU-PF party, which has ruled the country since independence and the end of white minority rule in 1980.
- As is usually the case, the elections were marred by delays that fuelled opposition's accusations of rigging and voter suppression. Gift Siziba, the deputy spokesman, a deputy spokesman for the Chamisa's CCC made it clear that they cannot accept the result, adding the party would challenge the result and called for election re-run supervised by neighbouring countries.

- By securing more than half the votes cast, Mnangagwa avoided a run-off in an election that saw voter turnout standing at 69%.
- ZANU-PF was also declared the winner in the parliamentary race, securing 136 of the 210 seats up for grabs under a first-past-the-post system, against 73 for the CCC, while one seat was not allocated due to the death of one candidate.

Possible Implications

- The rejection of the election outcome by the opposition reveals deep-seated mistrust in Zimbabwe's electoral process. This could exacerbate political tensions and potentially lead to protests or demonstrations challenging the legitimacy of Mnangagwa's presidency. The opposition's claim of electoral irregularities may further erode public confidence in the democratic system and hinder national reconciliation efforts.
- The concerns raised by international election observers regarding the credibility of the 2023 general elections are significant. If these concerns are valid, it casts doubt on the fairness and transparency of the electoral process and calls into question the legitimacy of Mnangagwa's presidency.
- Such international questioning could hamper the government's efforts to secure foreign investments and deepen economic cooperation with other nations. As a result, the implications could be potential social unrest, violence, strained regional and international relations, hampered economic growth, and hindered national reconciliation efforts.
- While the opposition has signalled intentions to challenge the election outcome, it remains to be seen whether the court would accede to the opposition's arguments and possible re-run of the election. However, with the court's previous record of being dismissive towards election dispute, the odds appears to be in favour of ZANU-PF and Mnangagwa.
- But, if history is anything to go by, not much will be expected to change under his leadership as he has failed to lead Zimbabwe's economy on the path to recovery ever since ascended to power.



Gabon: Military Officers Claim Power, Say Recent Election Lacked Credibility

- On 30 August, a group of military soldiers announced on national television the seizure of power because elections held over the weekend were not credible. The officers, appearing on Gabon 24 said they had cancelled the elections, dissolved all state institutions and closed the country's borders.
- The announcement came shortly after the state election body said President Ali Bongo Ondimba had won a third term in office in disputed elections which were held on 26 August.
- The Gabonese Election Centre said Bongo had secured 64.27% of the vote compared with 30.77% for his main challenger Albert Ondo Ossa, after a process beset by delays. However, the opposition camp said the election was a "fraud orchestrated by Ali Bongo and his supporters" after the internet was cut and a curfew imposed.
- Main opposition candidate Albert Ondo Ossa complained that many polling stations lacked ballot papers bearing his name, while the coalition he represents said the names of some of those who had withdrawn from the presidential race had still been on the ballot sheet.
- Bongo was the candidate for the Gabonese Democratic Party (PDG), the party founded by his father, Omar Bongo, who led Gabon from 1967 to 2009. After his death, his son, then the defence minister, took his place as president and has been in power ever since.
- Currently, it is unknown where the President is as the military did not say and no word from the government or Bongo himself. Gabon, a central African country, has a history of political instability and occasional military interventions.



Possible Implications

- The military's seizure of power suggests a breakdown in the democratic process and undermines the rule of law. This could have detrimental effects on political stability, as it sets a precedent for future military interventions in Gabonese politics.
- It also increases the risk of violence and civil unrest in Gabon. For instance, supporters of President Ali Bongo who feel aggrieved by the military's actions may engage in protests and counter-actions, leading to a potential escalation of tensions.
- The military coup in Gabon may attract international condemnation and potentially result in economic sanctions and diplomatic isolation. The international community typically opposes undemocratic transfers of power, and this could have severe ramifications for Gabon's economy and diplomatic relations.
- Furthermore, Gabon's political instability could have broader security implications in the Central African region. Instability often breeds an environment conducive to regional conflicts, such as insurgencies or illicit activities, which could threaten neighbouring countries.
- Political instability and potential international isolation can negatively impact Gabon's economy. Foreign direct investment may decline, trade relations may suffer, and the overall business environment may become less attractive to investors. This could lead to economic downturns and a decline in the quality of life for Gabonese citizens.
- The international community and regional organisations should engage in diplomatic efforts to encourage a peaceful and democratic resolution to the crisis. However, it is essential for Gabon's leaders to prioritise inclusivity, address electoral concerns, and work towards restoring democratic governance to ensure a stable and prosperous future for the country, taking into account that the Bongo family dynasty had monopolised the political space for decades.

Central African Republic: Constitutional Court Approves the Outcome of the July Referendum

- On 22 August, the Central African Republic's (CAR) Constitutional Court approved the outcome of the July referendum that increases the length of a presidential term to seven years but allows the president to run for office as many times as they like.
- The court declared that an overwhelming majority of 95% approved the vote, and turnout at just above 57%.
- The new law creates an office of a vice-president, appointed by the president, and a unicameral parliament, doing away with the senate. It also bans politicians with dual citizenship from running for president and increases the number of supreme court judges from nine to 11.
- The country's main opposition parties and civil society groups had urged a boycott, saying the amended law was designed to keep President Faustin-Archange Touadéra in power for life. They accused the constitutional review committee of taking instructions from Russia.
- President Touadéra is backed by Russian Wagner mercenaries who prior to the referendum arrived in the country to provide security. The diamond and gold-rich landlocked country has been stricken by conflict and political turmoil for most of its history since independence from France in 1960.

Possible Implications

- The approval can potentially lead to longer periods of governance, which may provide the president with more time to implement his policies and strategies. However, it also raises concerns about the consolidation of power and the potential for Touadéra to cling to power.



-
- The approval can potentially lead to longer periods of governance, which may provide the president with more time to implement his policies and strategies. However, it also raises concerns about the consolidation of power and the potential for Touadéra to cling to power.
 - The removal of term limits opens the possibility for a leader to stay in power indefinitely. While some argue that this enables continuity and stability, it can also undermine the principles of democratic governance, limit political competition, and potentially lead to the entrenchment of autocratic rule.
 - In simple terms, the decision to extend presidential terms and remove term limits can have varying effects on political stability. Thus, on one hand, longer presidential terms may provide stability and consistency in leadership, while on the other hand, unlimited terms can undermine democratic transitions, discourage political alternation, and prevent new leaders from emerging.
 - Consequently, allowing presidents to run for office repeatedly can lead to a concentration of power in the hands of a few individuals or a single political party. This concentration can weaken checks and balances, hinder the accountability of leadership, and limit the opportunities for new voices and ideas to shape policy decisions.

RISKS

- **Possible military intervention by ECOWAS in Niger:** This could plunge the region into conflict especially considering that Mali and Burkina Faso have joined a pact with Niger to intervene in case of a military intervention by ECOWAS.
- **Post-Election violence in Zimbabwe:** The opposition's rejection of the election outcome could lead to protests which could trigger violence.
- **Social unrests in Gabon:** The military takeover in Gabon could lead to political instability which could trigger social unrest and uncertainty amongst the Gabonese population.
- **Deterioration of security situation in Mali:** The speedy withdrawal of the UN peacekeeping mission in Mali due to deteriorating security situation could leave a vacuum for rebel groups to further entrench their presence.
- **Possible escalation of the conflict in Sudan:** This could lead to dire refugee and humanitarian crisis across the horn of Africa region.

.....END.....

