

AFRICA RISK CONSULTING Gabon Monthly Briefing July 2016

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Leading opposition candidate Jean Ping, until now an independent candidate, officially joins the Parti Gabonais du Progrès (PGP). Ping continues to face threats of legal prosecution for comments in May that allegedly incited violence. A press report alleges that both president Ali Bongo Ondimba (2009-present) and Ping benefitted from \$10.5m in hidden commissions from several state contracts with China-based SinoHydro between 2009 and 2010. The Organization of Petroleum Exporting Countries (OPEC) re-admits Gabon after over 20 years' absence from the union.

Ping joins the PGP

The leading opposition candidate for the 27 August elections, **Jean Ping**, officially joined the **Parti Gabonais du Progrès (PGP)** on 4 July.¹ Ping's membership of a political party will give him stronger campaign backing in the lead-up to elections. Ping is confident that joining the PGP will not negatively impact his candidacy or his image, and that those who supported him as an independent candidate will follow him to the PGP. Ping had been an independent candidate since the beginning of his campaign in 2014, aiming to stand as the sole candidate for the opposition. The PGP was created in 1990 as a leftist party, and party president **Joseph Benoît Mouity Nzamba** welcomed Ping in **Ogooué-Maritime** (Ping's native province), confirming his as someone who embodies the party's values and vision,

*"[The vision and heritage that founders] **Joseph Réndjambé Issani** and **Pierre Louis Agondjo Okawé** had, led to the pursuit of the prosperous ending of the project that Ping as presidential candidate proposes to the Gabonese people."*²

Ping's adherence to the PGP appears to give his candidacy the backing of a more formal political structure, and therefore more credibility and potentially a wider voter base. His adherence to the PGP does, however, raise doubts as to whether Ping will continue to receive support from competing parties, even from within his **Front de l'Opposition pour l'Alternance (FOPA)** opposition alliance. The opposition until now has been unable to consolidate a sole candidate, even though the PGP remains within the FOPA coalition. As fractures within the FOPA become evident, Ping may fear losing support from his established support bases.

...but still faces legal prosecution

Media sources have repeatedly reported in recent months that President **Ali Ben Bongo Ondimba** (2009-present) is seeking to undermine and delegitimise Ping's candidacy. Ping had made a seemingly unintentional but inflammatory comment, referring to eliminating the "cafards" (cockroaches) in a reference to the ruling **Parti Démocratique Gabonais (PDG)** (see *ARC Briefing Gabon May 2016*). Allegedly, this has led to Ping receiving less positive public press coverage (see *ARC Briefing Gabon June 2016*). More recently, a public prosecutor has sought to indict Ping, putting into action threats that government spokesperson **Alain Claude Bilie By Nze** had made in May.

Ping was scheduled to appear in court due to a complaint against him for disturbing public order and defamation following his 'cafard' comment.³ Ping has refused to answer the charges on multiple

¹ Gabon Review, 5 Jul 2016.

² Gabon Review, 5 Jul 2016.

occasions. This has led public prosecutor **Steve Ndong Essame Ndong** to threaten the presidential candidate with jail if he does not appear in court.⁴ Ping could face a sentence of up to five years. His statement may be punishable under Article 88 of the **Gabonese Penal Code**, which states:

“Anyone can face imprisonment for six months to five years if found guilty of participating in written or oral propaganda which aims to disturb the public peace, incite revolt against the state authorities or undermines the prestige of Gabon’s institutions.”⁵

Bongo has also made a complaint against Ping for defamation.⁶ Ping allegedly published a message on his official **Facebook** page, referring to Bongo as a “*pyromaniac*” and “*genocidal*”.⁷ Despite Essame’s legal pressures, Ping refuses to appear before a **Libreville** court.⁸ Ping claimed that scheduling Friday as one of the dates for his trial was a government tactic to keep him in a cell for the ensuing weekend,

“Why did they summon me on a Friday, when we know from experience that any politician who is summoned on a Friday generally spends the weekend in a jail cell?”⁹

Ping’s lawyers appeared in his place and condemned the case as politically motivated.¹⁰

Ping and Bongo families implicated in alleged SinoHydro corruption case

A press investigation on 23 June alleged that several uncovered legal documents prove that the families of both Bongo and Ping benefitted from over \$10.5m in hidden commissions from several state contracts with **China**-based industrial conglomerate **SinoHydro**.¹¹ **French** police reportedly uncovered the documents, including evidence from a verbal testimony of a French lawyer, during an investigation into **Corsican** (French) businessman **Michel Tomi**.¹² The accusations, if found to be true, would discredit both Ping and Bongo. SinoHydro allegedly wired the funds, through a company called **Sift Hong Kong Ltd**, to an **HSBC** bank account in **Hong Kong** for contracts spanning a period of 10 years, while Ping was prime minister (1990-2008).¹³ The press investigation claims it uncovered evidence that implicated both Bongo and Ping indirectly, through their relatives:

- **Pascaline Bongo**, daughter of former president **Omar Bongo Ondimba**’s (1967-2009) daughter (Ali’s sister), and former wife of Jean Ping;
- **Franck Ping**, son of Pascaline Bongo and Jean Ping.¹⁴

The HSBC account reportedly belonged to Pascaline Bongo.¹⁵ Franck Ping and Pascaline Bongo allegedly skimmed funds principally from two contracts: the construction of a road connecting **Akieni** and **Okondja** in eastern Gabon, and the **Hydropower-Grand Poubara Dam** near **Franceville**.¹⁶ Sift Hong Kong allegedly made the transfers in 2008.¹⁷ Pascaline Bongo’s former consultant, **Francois Meyer**, claims she transferred \$7m to her children between 2009 and 2010.¹⁸ Franck Ping, according to Meyer received \$5m through a company that Ping owned in Hong Kong – **Fiex** – where Meyer claims to have been director during that time.¹⁹ Franck Ping had allegedly also benefitted from

³ Gabon Eco, 22 Jun 2016.

⁴ New Gabon, 22 Jun 2016.

⁵ Gabon Eco, 22 Jun 2016.

⁶ Jeune Afrique, 23 Jun 2016.

⁷ Jeune Afrique, 23 Jun 2016.

⁸ Gabon Eco, 22 Jun 2016.

⁹ RFI, 3 Jul 2016.

¹⁰ Jeune Afrique, 23 Jun 2016.

¹¹ Médiapart, 23 Jun 2016.

¹² Médiapart, 23 Jun 2016.

¹³ Médiapart, 23 Jun 2016.

¹⁴ Médiapart, 23 Jun 2016.

¹⁵ Médiapart, 23 Jun 2016.

¹⁶ Médiapart, 23 Jun 2016.

¹⁷ Médiapart, 23 Jun 2016.

¹⁸ Médiapart, 23 Jun 2016.

¹⁹ Médiapart, 23 Jun 2016.

SinoHydro public projects in **Cameroon** during this time, as Jean Ping is reportedly a close friend of president **Paul Biya** (1982-present).²⁰

The Gabonese judiciary, through public prosecutor Essame, has sought to question Franck Ping in response to these allegations, under a preliminary investigation in progress since 18 July.²¹ Franck Ping has reportedly left the country, while Essame states he does not eliminate the possibility of an international arrest warrant,²²

“The Libreville bar, in respect of international legal cooperation, seeks to employ all judicial means available in order to shine a light on these acts, akin to financial crimes, before penal prosecution against the accused in front of a competent jurisdiction.”²³

Gabon officially readmitted to OPEC

The **Organization of Petroleum Exporting Countries (OPEC)** on 1 July officially re-integrated Gabon into the oil producers’ union, following the country’s exit in 1995.²⁴ The confirmation of Gabon’s readmission will give the country a more proactive, albeit limited, role in influencing the cartel’s policy. However, Gabon would still remain the smallest producer within OPEC, with around 200,000 barrels per day (bpd), with most optimistic estimates reaching 240,000 for 2016.²⁵ OPEC secretary general **Abdallah Salem el-Badri** deemed this a positive step for cooperation within the cartel, while oil minister **Etienne Dieudonné Ngoubou** reaffirmed his belief in a strong and active role for Gabon.²⁶ Gabon adherence to OPEC now makes the country the only member from central **Africa**, and one of only four in Africa along with **Algeria, Angola** and **Nigeria**.²⁷

OPEC is currently unable to agree upon an oil production quota, which means that a nearer-term termination to the oil price crisis is less likely.²⁸ Oil prices have recovered to close to \$50 per barrel in recent weeks, but OPEC’s inability to agree on production limits puts these gains at risk.²⁹

Implications

Ping’s adherence to the PGP shows he may have felt vulnerable as an independent candidate, especially as the opposition coalition fractures. He still faces the challenge of trying to unite certain parts of the opposition behind one candidate. The status quo, with a dozen opposition candidates against Bongo, is likely to favour the incumbent.

The prosecution against Ping could appear a campaign to delegitimise Ping’s candidacy, but also to remove him from the election process. However, the implication of Ping in corruption allegations through his son and his former wife would appear more significant than his arguably slanderous comments against Bongo. For Bongo, the allegations appear less significant since he did not benefit personally from the funds, but the allegations may have negative implications for his image, which would be detrimental ahead of elections.

Gabon’s readmission to OPEC was unexpected. While Gabon’s political sway within the cartel will be limited, the government will be content with having an outlet to try to influence policy within the organisation.

²⁰ Médiapart, 23 Jun 2016.

²¹ Koaci, 18 Jul 2016.

²² Koaci, 18 Jul 2016.

²³ Koaci, 18 Jul 2016.

²⁴ Gabon Review, 4 Jul 2016.

²⁵ Jeune Afrique, 1 Jul 2016.

²⁶ Gabon Review, 4 Jul 2016.

²⁷ www.opec.org

²⁸ International Business Times, 2 Jun 2016.

²⁹ International Business Times, 2 Jun 2016.

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