

## AFRICA RISK CONSULTING

### Gabon Monthly Briefing April 2019

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#### Gabon Summary 18 April 2019

*President Ali Bongo Ondimba (2009-present) returns to Gabon for a third time since suffering a stroke in October. Presidential spokesperson Ike Ngouoni describes Bongo's return as "definitive" this time but opposition groups continue to call for a declaration of a "vacancy of power". The government compromises on a draft law that sets stricter criteria for state-sponsored scholarships after students protest against the proposed reforms. The petroleum, gas and hydrocarbons ministry puts 35 offshore oil blocks up for sale, generating interest from 24 companies.*

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#### President Bongo returns, but is he fit for the job?

President **Ali Bongo Ondimba** (2009-present) has returned to his presidential duties in **Gabon** but speculation surrounds his capacity to do the job. Bongo arrived in the Gabonese capital **Libreville** on 23 March for the third time since suffering a stroke in **Saudi Arabia** on 24 October and undergoing five months of recovery and rehabilitation in Saudi Arabia and **Morocco**.<sup>1</sup> (see *ARC Briefing Gabon November 2018-March 2019*). Bongo made two brief visits to Gabon on 15 January and 25 February but presidential spokesperson **Ike Ngouoni** stated that this latest return marked was "definitive".<sup>2</sup> However, Ngouoni said the president would still take routine trips abroad for medical check-ups.<sup>3</sup>

Prior to Bongo's return, opposition and civil society groups had demanded that the government declare a vacancy of power (see *ARC Briefing Gabon March 2019*).<sup>4</sup> On 23 February, opposition **Union Nationale (UN)** party leader **Zacharie Myboto** called for the declaration of a vacancy of power in line with Article 13 of the constitution.<sup>5</sup> Opposition collective **PG41** repeated the demand, calling in addition for the organisation of a national dialogue.<sup>6</sup> Another pressure group, **Apel a Agir**, which is supported by 2016 presidential election runner-up **Jean Ping**, gave President Bongo an ultimatum to head back to Gabon by 31 March or it would protest to that effect.<sup>7</sup>

A crowd of close to 30,000 people heeded the call of vice-president **Pierre Claver Maganga** to turn out in their numbers and receive the president at **Leon Mba International Airport**.<sup>8</sup> This was the first time such a large crowd had seen Bongo in public since his stroke last year. Bongo was accompanied by first lady **Sylvia Ondimba Bongo**, prime minister **Julien Nkoghe Bekale**, chief of staff **Brice Laccruche Alihanga**, and the president's brother **Frederic Bongo**.<sup>9</sup> After greeting the crowd, President Bongo was ushered to the presidential residence. The announcement of his return and the call to receive him at the airport were markedly different from the general secrecy and lack of information since he fell ill.

President Bongo wasted no time in tackling his executive responsibilities. On 26 March, he received a host of state government dignitaries including **Cour Constitutionnelle** (constitutional court)

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<sup>1</sup> Gabon Review, 23 Mar 2019

<sup>2</sup> RFI, 21 Mar 2019

<sup>3</sup> RFI, 21 Mar 2019

<sup>4</sup> Gabon Review, 23 Feb 2019

<sup>5</sup> Gabon Review, 23 Feb 2019

<sup>6</sup> Gabon Review, 13 Mar 2019

<sup>7</sup> RFI, 21 Mar 2019

<sup>8</sup> RFI, 23 Mar 2019

<sup>9</sup> Jeune Afrique, 24 Mar 2019

president **Marie Madeleine Mborantsuo**, **Assemblée Nationale** (national assembly) president **Faustin Boukoubi**, **Senate** president **Lucie Milebou-Aubusson**, vice-president Maganga, and the president of the **Conseil Economique, Sociale et Environnemental** (economic, social and environmental council), **Rene Obiang**.<sup>10</sup> On the same day, Bongo met with a host of religious leaders and expressed his gratitude for the support they provided in his absence.<sup>11</sup> He presided over a cabinet meeting on 29 March, after which a widely circulated video showed him standing upright with a cane and greeting his cabinet ministers.<sup>12</sup>

Although Bongo has been actively performing presidential duties, this has not stopped pleas for a vacancy of power to be instituted. **Gaspard Ntoutoume Ayi**, spokesperson of the opposition **Coalition pour la Nouvelle République (CNR)** and member of *Apel a Agir*, suggested that a vacancy of power should be declared despite Bongo's return.<sup>13</sup> *Apel a Agir* lodged a request at the **Tribunal de Libreville** on 28 March for the presiding judge to order President Bongo to undergo a medical examination.<sup>14</sup> According to *Apel a Agir* lawyer **Anges Nzigou**, the aim of the medical test would be to determine if President Bongo possesses the intellectual and physical capacity to carry out executive duties.<sup>15</sup> In response, interior minister **Lambert Mbatha** called on judicial authorities, especially the state prosecutor, to take action against *Apel a Agir*, accusing the group of being involved in "*acts of destabilisation*".<sup>16</sup>

Members of government, the ruling **Parti Democratique Gabonaise (PDG)**, and the Gabonese public will welcome President Bongo's return as it will enable the re-establishment of order with respect to government action and help to end the infighting within the presidential entourage. Bongo will have to deal with urgent issues such as coordinating the country's economic recovery plan and establishing a political dialogue in the aftermath of the failed January coup d'état (see *ARC Briefing Gabon Jan/Feb 2019*) and the ongoing student protests (see below). Speculation from civil society and opposition will continue regarding Bongo's health and whether he is fit to hold office. According to **France**-based magazine **Jeune Afrique**, President Bongo left Gabon on a presidential jet on 4 April to receive medical treatment in **London (United Kingdom)**.<sup>17</sup> Subsequent rumours say he is in **Spain** or **The Netherlands** receiving medical care.<sup>18</sup> The topic of President Bongo's health will not go away overnight.

### Government backs down over stricter scholarship criteria

Student protests against stricter criteria for education scholarships have forced the government to modify its proposed scholarship reforms and suspend the implementation of the new policy. The council of ministers had adopted a draft law on 29 March that established stricter criteria for the award of state-sponsored academic scholarships.<sup>19</sup> Students would henceforth be eligible for state scholarships if they obtained a 60% minimum average and were not above 19 years old.<sup>20</sup> The new rules added to the existing criteria that recipients must hold Gabonese nationality and be enrolled in full-time studies.<sup>21</sup>

<sup>10</sup> Gabon Review, 26 Mar 2019

<sup>11</sup> Gabon Review, 26 Mar 2019

<sup>12</sup> RFI, 30 Mar 2019

<sup>13</sup> Jeune Afrique, 24 Mar 2019

<sup>14</sup> Gabon Review, 28 Mar 2019

<sup>15</sup> Gabon Review, 28 Mar 2019

<sup>16</sup> Jeune Afrique, 30 Mar 2019

<sup>17</sup> Jeune Afrique, 14 Apr 2019

<sup>18</sup> Gabon Review, 14 Apr 2019

<sup>19</sup> Jeune Afrique, 4 Apr 2019

<sup>20</sup> Jeune Afrique, 4 Apr 2019

<sup>21</sup> Jeune Afrique, 4 Apr 2019

Higher education minister **Jean De Dieu Moukagni Iwangou** said the government had established the reforms to reflect the country's current socio-economic realities.<sup>22</sup> His statement is in reference to the economic downturn that Gabon has experienced since 2014. Moukagni Iwangou stated that the financial assistance scheme has put a strain on the government.<sup>23</sup> Currently 53,000 students are beneficiaries of state scholarships.<sup>24</sup> The annual allocation has tripled from FCFA 12 billion (\$20.5m) (2012) to FCFA 40 billion (\$68.6m) (2018).<sup>25</sup> First cycle students are allocated FCFA 83,000 (\$142) monthly, while second cycle students are provided with FCFA 98,000 (\$168).<sup>26</sup> Moukagni Iwangou further justified the decision saying that the former requirements promoted absenteeism, failure and non-completion of studies by students.<sup>27</sup> In the reformed system, students would be able to apply for student loans from commercial banks, which would be repayable after five years.<sup>28</sup> Moukagni Iwangou said the **Agence Nationale des Bourses du Gabon (ANBG)** (national scholarship office for Gabon) would handle the loan applications<sup>29</sup> and that loans would apply to professional sectors.<sup>30</sup> The state would be the guarantor of the interest rate, which would reflect market rates.<sup>31</sup> Meritorious students over the age limit who study at accredited Gabonese institutions would receive partial financial support from the state.<sup>32</sup>

Despite the minister's reassurances and justifications, the reforms attracted significant opposition from different segments of society. Gabon-based economist **Mays Mouissi** said the decision made no sense, claiming that the imposition of an age limit is not realistic in Gabon.<sup>33</sup> Mouissi cited the example of recurrent teachers' strikes, which have made pre-tertiary studies take longer to complete.<sup>34</sup> Mouissi referred to a 2013 **World Bank** study that reported that Gabon has the highest primary school repetition rate in the world at 37%.<sup>35</sup> This would mean that a greater number of students are older when they complete their studies.<sup>36</sup>

Students protested against the scholarship criteria reforms in the urban centres of **Franceville, Oyem** and **Port Gentil**, and 16 students were arrested.<sup>37</sup> **Dave Ayina**, the president of the **Union Nationale des Etudiants Gabonais** (national union of Gabonese students) claims the government is out of touch with students' needs and noted that the current learning conditions do not permit them to meet the newly outlined academic requirements.<sup>38</sup> **Fédération Nationale des Parents d'Elèves** (national parents' federation) president **Rene Mezui Menie** echoed these sentiments, saying families would not be able to keep their children in school under the new system.<sup>39</sup> Opposition **Rassemblement pour la Patrie et la Modernité (RPM)** president **Alexandre Barro Chambrier** also criticised the new reforms, pledging his support for the protesters and calling on security forces not to harm students.<sup>40</sup> Chambrier said that by instituting these new rules and not building schools and universities, the government was demonstrating its belief that Gabon's youth are unimportant.<sup>41</sup>

<sup>22</sup> Jeune Afrique, 4 Apr 2019

<sup>23</sup> Jeune Afrique, 9 Apr 2019

<sup>24</sup> Jeune Afrique, 9 Apr 2019

<sup>25</sup> Jeune Afrique, 9 Apr 2019

<sup>26</sup> Jeune Afrique, 9 Apr 2019

<sup>27</sup> Jeune Afrique, 9 Apr 2019

<sup>28</sup> Jeune Afrique, 4 Apr 2019

<sup>29</sup> Jeune Afrique, 4 Apr 2019

<sup>30</sup> Jeune Afrique, 9 Apr 2019

<sup>31</sup> Jeune Afrique, 9 Apr 2019

<sup>32</sup> Jeune Afrique, 4 Apr 2019

<sup>33</sup> Jeune Afrique, 4 Apr 2019

<sup>34</sup> Jeune Afrique, 4 Apr 2019

<sup>35</sup> Jeune Afrique, 4 Apr 2019

<sup>36</sup> Jeune Afrique, 4 Apr 2019

<sup>37</sup> RFI, 9 Apr 2019

<sup>38</sup> RFI, 9 Apr 2019

<sup>39</sup> RFI, 9 Apr 2019

<sup>40</sup> Gabon Review, 10 Apr, 2019

<sup>41</sup> Gabon Review, 10 Apr, 2019

The government suspended classes on 10 April in response to the protests.<sup>42</sup> Moukagni Iwangou continued to defend the new reforms but promised to hold talks with different parties.<sup>43</sup> Prime minister Julien Nkoghe Bekale said the government would do everything to support meritorious students but would not promote mediocrity.<sup>44</sup> The PDG expressed support for the new requirements through spokesperson **Stephane Boussegu** who said the reforms were in line with decisions made at the **Etats Généraux d'Education** (Estates General on Education) in May 2010.<sup>45</sup>

There was, however, some criticism of the reforms within the ruling establishment. PDG senator **Berni Emame** said “*the government should redefine the awarding criteria and pursue dialogue in order to have the support of all parties*”.<sup>46</sup> In a surprise move, **Assemblée Nationale** (national assembly) president **Faustin Boukoubi** and vice president **Idriss Ngari** suggested in a letter to the prime minister that he suspend the new measures due to the widespread discontent.<sup>47</sup> However, the PDG parliamentary group did not support this line and issued a communiqué stating its support for the reforms.

The government made a concession on 12 April, stating that the age limit for individuals seeking scholarships for the technical and vocational baccalaureate would be increased to 27 years old.<sup>48</sup> National education minister **Michel M'Essone** followed this concession by announcing that the reforms would not be applied in 2019 and that classes would resume with immediate effect.<sup>49</sup> The decision to back down on the educational reforms is a lesson to the Gabonese authorities to engage with different stakeholders regarding matters of national interest.

### Offshore oil blocks on offer

Petroleum, gas and hydrocarbons minister **Pascal Houangni Ambourou** announced on 2 April that Gabon will auction 35 offshore oil blocks in June,<sup>50</sup> demonstrating the government's desire to attract investors to the oil industry. The oil block auction aims to revive declining oil production as Gabon has experienced decreased output since hitting its peak production of 18 million barrels in 1997.<sup>51</sup> In 2017, production stood at 198,000 barrels per day but fell by 6% in 2018 to 187,000 barrels.<sup>52</sup>

Of the 35 blocks concerned, 23 are deep offshore and 12 are shallow offshore.<sup>53</sup> Ambourou says 24 companies have shown interest in purchasing the blocks, including 18 for the shallow offshore units and six companies for the deep and ultra deep offshore units.<sup>54</sup> Ambourou expressed his satisfaction at the degree of interest shown by private firms in the local oil industry.<sup>55</sup> The call for tenders in June will enable investors to explore the sedimentary basin of Gabon.<sup>56</sup> Ambourou said that without exploration, no additional discoveries can be made.<sup>57</sup> He added that no notable exploration exercises have been carried out in Gabon in four years.<sup>58</sup>

<sup>42</sup> Gabon Review, 11 Apr 2019

<sup>43</sup> Jeune Afrique, 9 Apr 2019

<sup>44</sup> RFI, 9 April 2019

<sup>45</sup> Gabon Review, 11 Apr 2019

<sup>46</sup> Gabon Review, 11 Apr 2019

<sup>47</sup> Gabon Review, 13 Apr 2019

<sup>48</sup> Jeune Afrique, 12 Apr 2019

<sup>49</sup> RFI, 17 Apr 2019

<sup>50</sup> RFI, 5 Apr 2019

<sup>51</sup> World Bank, Mar 2018

<sup>52</sup> Gabon Eco, 5 Apr 2019

<sup>53</sup> RFI, 5 Apr 2019

<sup>54</sup> RFI, 5 Apr 2019

<sup>55</sup> Gabon Eco, 5 Apr 2019

<sup>56</sup> RFI, 5 Apr 2019

<sup>57</sup> RFI, 5 Apr 2019

<sup>58</sup> Gabon Eco, 5 Apr 2019

A delegation from the **Direction Générale des Hydrocarbures (DGH)** (general directorate for hydrocarbons) undertook a promotional tour to **London (United Kingdom)** in which it presented the opportunities related to the Gabonese oil industry.<sup>59</sup> DGH deputy director general **Edgard Mbina-Kombila** noted that despite Gabon's 60-year history of oil production, there are still unexplored areas and therefore room for improving the country's oil production capacity.<sup>60</sup> Kombila acknowledged that with infrastructure such as refineries and terminals already in place, developing new discoveries will not be as challenging.<sup>61</sup> The Gabonese government intends to pursue its promotional tour to **Beijing (China), Brazil, Calgary (Canada), Equatorial Guinea, India, Moscow (Russia) and South Africa.**<sup>62</sup> The campaign to advertise the petroleum blocks was initiated after the announcement of licensing cycle for these blocks in November.<sup>63</sup> The licensing cycle was to have been completed in April but the date has been pushed to 30 September in order to take into account the new hydrocarbons code.<sup>64</sup>

The oil sector has a significant impact on the Gabonese economy. Gabon is the fifth largest oil producer in **Africa** with oil accounting for 80% of its exports, 60% of fiscal revenue, and 45% of its GDP.<sup>65</sup> The government's recent initiatives such as the adoption of a new and more attractive hydrocarbons code and the sale of offshore oil blocks will send a positive sign to investors who are interested in getting involved in the Gabonese petroleum sector.

### Planner

30 Sep 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Deadline for tender submissions for the 12<sup>th</sup> round of petroleum licences

2019 **Libreville(Gabon)** Gabon set to adopt new hydrocarbons code

### Chronology

Apr 18 2019 **Libreville (Gabon)** *RFI*. Government announces it will no longer pursue changes to the state scholarship attribution criteria;

11 Apr 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Agriculture minister **Maganga Moussavou** says the government intends to reduce food imports by 50% by 2023 and in the process create 15,000 to 20,000 jobs from the agriculture sector;

11 Apr 2019 **Libreville (Gabon)** *Gabon Review*. Government announces the suspension of classes across Gabon as student-led protests erupt over reduction of the scholarship eligibility age to 17 years of age;

9 Apr 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Ministry of oil, gas and hydrocarbons announces the imminent liberalisation of fuel prices;

8 Apr 2019 **Libreville (Gabon)** *Direct Infos Gabon*. Petroleum, gas and hydrocarbons minister **Pascal Houangni Ambouroué** says Gabon has advertised the sale of 35 offshore petroleum blocks and 24 foreign companies have shown interest in purchasing some of the blocks;

5 Apr 2019 **Libreville (Gabon)** *Gabon Review*. Prime minister **Julien Nkoghe Bekale** says Gabon does not need to hold a third national dialogue in wake the wake of recent socio-political tensions despite calls from the opposition and international community;

<sup>59</sup> Gabon Review, 2 Apr 2019

<sup>60</sup> Gabon Review, 2 Apr 2019

<sup>61</sup> Gabon Review, 2 Apr 2019

<sup>62</sup> Gabon Review, 2 Apr 2019

<sup>63</sup> Gabon Review, 2 Apr 2019

<sup>64</sup> Gabon Review, 2 Apr 2019

<sup>65</sup> World Bank, Mar 2018

3 Apr 2019 **Libreville (Gabon)** *Jeune Afrique*. Gabonese government announces new budget cuts and tax increases to complement previously instituted austerity measures;

28 Mar 2019 **Libreville (Gabon)** *Reuters*. Workers union, l'**Organisation Nationale des Employés du Pétrole**, suspends strike at petroleum terminal of **United States**-based **VAALCO Energy Inc**

23 Mar 2019 **Libreville (Gabon)** *Gabon Review*. President **Ali Bongo Ondimba** makes a definitive return to Gabon from **Morocco** after suffering a stroke in October;

21 Mar 2019 **Libreville (Gabon)** *RFI*. The presidency announces the definitive return of President **Ali Bongo Ondimba** on 23 March, following his recuperation in **Morocco** after suffering a heart attack in October;

### About Africa Risk Consulting:

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