

## AFRICA RISK CONSULTING

### Gabon Monthly Briefing April 2017

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#### Gabon Summary 18 April 2017

**President Ali Ben Bongo Ondimba (2009-present) opens the Dialogue Politique National (national political dialogue), a three-week forum aiming to resolve the political impasse. Opposition leader Jean Ping calls for Bongo to stand down “before it’s too late”. French presidential candidates Emmanuel Macron and François Fillon both criticise Bongo’s re-election, indicating a potential shift in French foreign policy towards Gabon. The interior ministry bans all Convention Nationale des Syndicats du Système Éducatif (Conasysed) (national convention of education sector unions) activities for alleged disturbance of the peace. Royal Dutch Shell Plc confirms that its subsidiary, Shell Gabon S.A., has sold its onshore oil production assets to United Kingdom (UK)-registered Assala Energy Holdings Ltd, a subsidiary of United States (US)-based private equity firm Carlyle Group, for \$587m.**

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#### Bongo launches national dialogue

President **Ali Ben Bongo Ondimba** (2009-present) opened the **Dialogue Politique National** (national political dialogue) on 28 March.<sup>1</sup> The three-week forum aims to resolve the political impasse in **Gabon**, where the opposition continues to refuse to accept the August 2016 presidential election result. The first phase of the political dialogue will cover institutional and electoral reform.<sup>2</sup> A total of 54 political parties will attend the dialogue; however, main opposition figurehead **Jean Ping** is boycotting the process.<sup>3</sup> Ping represents the opposition **Coalition pour le Nouvelle République (CNR)**, which includes parties such as the **Parti du Peuple Gabonais (PGP)** but not the traditional **Union Nationale (UN)** opposition party.<sup>4</sup> Ping, on 31 March, added to criticism of the national political dialogue.<sup>5</sup> Ping believes that the dialogue is not meaningful,

*“Bongo did not win the election... I will not give my blessings to this masquerade, a ball of vampires ... For an entire month they will be in hotels – dancing, singing, and [consuming] champagne, to then take decisions that we know of in advance.”<sup>6</sup>*

Ping also denied that Bongo has isolated him by including some members of the opposition in the national dialogue,

*“[Those that supported me in the lead-up to the August 2016 elections] have clearly stated that they will not take part in this dialogue... despite all the efforts to corrupt them. This coalition will hold until the final victory. I know that this coalition is holding together.”<sup>7</sup>*

Ping said that he planned to organise a “*mega meeting*”<sup>8</sup> with the opposition, as well as offer his support to major workers unions in Gabon – such as the **Convention Nationale des Syndicats du Système Éducatif (Conasysed)** (national convention of education sector unions) (see below),

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<sup>1</sup> Gabon Review, 28 Mar 2017.

<sup>2</sup> Gabon Review, 28 Mar 2017.

<sup>3</sup> Gabon Review, 28 Mar 2017.

<sup>4</sup> Gabon Review, 28 Mar 2017.

<sup>5</sup> RFI, 31 Mar 2017.

<sup>6</sup> RFI, 31 Mar 2017.

<sup>7</sup> RFI, 31 Mar 2017.

<sup>8</sup> RFI, 31 Mar 2017.

*“We foresee the organisation of a mega meeting. We expect, for example, that our political parties support a union strike, those of the Conasysed.”<sup>9</sup>*

In the lead-up to the **Parti Démocratique Gabonais (PDG)**-led dialogue, leader of the opposition **Union du Peuple Gabonais (UPG)** party, **Jean de Dieu Mokagni-Iwangou**, recommended that Ping seek to co-govern with Bongo.<sup>10</sup> The announcement showed that minor opposition parties are beginning to consider cooperation with Bongo. Mokagni-Iwangou called for the **United Nations** to supervise the reconciliation dialogue, in order to assure fair management of the discussions.<sup>11</sup>

Some opposition parties have withdrawn from the process. Opposition **Parti Socialiste Gabonais (PSG)** leader **Augustin Moussavou-King**, on 4 April announced that he would not continue his involvement in the political dialogue.<sup>12</sup> Moussavou-King’s announcement could lead to additional withdrawals of opposition parties further undermining the credibility of the national dialogue process. Moussavou-King said that he was dissatisfied with the opposition’s non-confrontational stance in the national dialogue process.<sup>13</sup> Moussavou-King criticised the *“serenity of the opposition members during the political dialogue”*.<sup>14</sup> Furthermore, Moussavou-King questioned the *“absolute opacity in the designation of the 80 opposition delegation members”*.<sup>15</sup> However, it is unclear how Moussavou-King could influence a wider opposition boycott – analysts consider Moussavou-King a marginal opposition figure, as he refused to support Ping in the August 2016 election,

*“Moussavou-King is not really a representative nor influential member of the opposition, even though he interrupted his participation in the political dialogue.”<sup>16</sup>*

Furthermore, there are opposition concerns surrounding the funding of the three-week dialogue. According to press sources, the event is costing government over FCFA 12 billion (\$19.6m).<sup>17</sup> The opposition alleges that the government sought to increase the number of participants, including allegedly bogus organisations and bought-off PDG members to represent other parties.<sup>18</sup> However, these allegations are largely unfounded and unverified.

**Federica Mogherini**, the **European Union (EU)** high representative for foreign affairs issued a statement on 28 March, criticising Bongo for organising a political dialogue process that did not integrate all of Gabon’s political party leaders.<sup>19</sup> The EU statement asserted that only a truly inclusive political dialogue would reduce social and political tensions in Gabon.<sup>20</sup> The EU had published a **Mission d’Observation Électorale (MOE)** (electoral observation mission) report in December that questioned the integrity of the presidential election result (see *ARC Briefing Gabon September 2016*). Since then, the **European** parliament in February adopted a resolution against the *“rule of law crisis in the Democratic Republic of Congo (DRC) and Gabon”*.<sup>21</sup> The resolution opens the possibility of sanctions against the Bongo government.<sup>22</sup> The political situation remains tense,

*“The political situation is chaotic in the eight months following the presidential election. The government is struggling to re-establish its authority among the public and confidence among the investor community.”<sup>23</sup>*

<sup>9</sup> RFI, 31 Mar 2017.

<sup>10</sup> Gabon Review, 20 Mar 2017.

<sup>11</sup> Gabon Review, 20 Mar 2017.

<sup>12</sup> Gabon Review, 4 Apr 2017.

<sup>13</sup> Gabon Review, 4 Apr 2017.

<sup>14</sup> Gabon Review, 4 Apr 2017.

<sup>15</sup> Gabon Review, 4 Apr 2017.

<sup>16</sup> Source, journalist, Libreville

<sup>17</sup> L’Union, 1 Apr 2017.

<sup>18</sup> L’Union, 1 Apr 2017.

<sup>19</sup> www.eeas.europa.eu

<sup>20</sup> www.eeas.europa.eu

<sup>21</sup> RFI, 2 Feb 2017.

<sup>22</sup> RFI, 2 Feb 2017.

<sup>23</sup> Source, journalist, Libreville

### ... as Ping holds a ‘mega meeting’ in protest against Bongo dialogue

Ping held a ‘mega-meeting’ in **Libreville** on 15 April, calling for Bongo to stand down.<sup>24</sup> Some press sources referred to Ping’s rally as an ultimatum.<sup>25</sup> Support for Ping appears to be waning. Reportedly, under 20,000 people attended the rally, while Ping expected 100,000 people to attend.<sup>26</sup> Ping said that he wanted to quell rumours he had abandoned his challenge against Bongo,

*“I hear a lot of compatriots ask: what is Jean Ping doing? My response is simple: Jean Ping is here, more than ever determined to recover your sovereignty. Jean Ping is here to go with you until the end, until the presidency and the establishment of a new republic.”<sup>27</sup>*

Ping explicitly called for Bongo to resign,

*“I invite you to hand over power, without delay, to put an end to the Gabonese people’s suffering. Out of respect for this country that gave you everything, I invite you to do it now, before it is too late.”<sup>28</sup>*

There were concerns ahead of the meeting that Ping would seek to disturb proceedings at the Bongo-organised national dialogue.<sup>29</sup> **René Ndémézo Obiang**, co-president of the Bongo-led political dialogue bureau, said that the government might employ measures to prevent the gathering from taking place.<sup>30</sup> Government spokesperson **Alain-Claude Bilie Bi Nzé** said that the government would intervene to cancel the rally, if there were a risk of overflow.<sup>31</sup> Evidently, the smaller-than-expected crowd at the rally did not represent a large enough risk for government. One local opposition supporter confesses that Ping is losing strength,

*“In my humble opinion, Bongo has won the psychological battle with Ping, by playing for the long term. This strategy has weakened the most violent reactions that could have stemmed from the opposition. And, with the current economic crisis in Gabon, people are prioritising their day-to-day lives.”<sup>32</sup>*

The national dialogue process is creating divisions within the opposition. The support that Ping had at the peak of tensions following the August elections appears to have diminished. Time will be Bongo’s greatest ally in order to avoid forced resignation or impeachment, as support for Ping’s cause could vary with political changes abroad. The threat from Ping’s ‘mega-meeting’ currently appears limited, but this could change depending on developments at the Bongo-led dialogue.

### Two French presidential candidates appear to criticise Bongo’s re-election

Two **French** presidential candidates, **Emmanuel Macron** of **En Marche!**, and **François Fillon** of **Les Républicains**, have publicly criticised Bongo’s re-election in the August 2016 election.<sup>33</sup> French polls indicate Macron is currently the favourite to succeed **François Hollande** (2012-present). If either Macron or Fillon is elected in the French presidential election in May, it could mean a colder bilateral relationship between Gabon and France than under Hollande. Press sources and politicians have criticised Hollande for “turning a blind eye to a very controversial re-election”.<sup>34</sup> In separate press

<sup>24</sup> RFI, 16 Apr 2017.

<sup>25</sup> RTL, 17 Apr 2017.

<sup>26</sup> RFI, 16 Apr 2017.

<sup>27</sup> RFI, 16 Apr 2017.

<sup>28</sup> RFI, 16 Apr 2017.

<sup>29</sup> RFI, 15 Apr 2017.

<sup>30</sup> RFI, 15 Apr 2017.

<sup>31</sup> RFI, 15 Apr 2017.

<sup>32</sup> Source, Ping supporter, Libreville

<sup>33</sup> Multiple sources: Gabon Review, 6 Apr 2017; Gabon Review, 7 Apr 2017.

<sup>34</sup> RFI, 5 Apr 2017.

interviews, both Macron and Fillon appeared to describe their doubts surrounding Bongo's controversial re-election. Macron said,

*"It seems to me that Bongo's [re-]election is full of uncertainty and unknowns, which justify a circumstantial judgement."*<sup>35</sup>

Fillon reaffirmed a statement he made in September 2016,

*"This is what appears to come out of most analyses [of the election], and in particular those of European observers. Yes, France must not support anti-democratic practices. These are practices from the past, which must disappear."*<sup>36</sup>

It is likely that Ping will wait until the result of the French election (run-off elections on 8 May) before he decides on his next course of action.<sup>37</sup> If Ping views the new president as favourable to his cause, he will look to secure his/her support for possible EU sanctions against Bongo. However, French intervention in Gabonese political affairs appears even less likely than before.

### Interior ministry bans all Conasysed activities

The interior ministry, on 17 March, announced that it has banned all activities of the Conasysed, the national umbrella association of education sector unions.<sup>38</sup> The announcement will increase tension between government and labour unions, and could lead to more industrial action. The interior ministry cited the Conasysed's alleged disturbance of the peace, obstructing people's freedom to work, violence and assault for the ban.<sup>39</sup> Conasysed managing director **Simon Ndong Ezo** said that the union could not accept this decision,

*"This decision is a formal defect, the content of which is null and void, because a ministerial decision cannot be above international conventions, which provide that trade unions cannot be dissolved or suspended by administrative means."*<sup>40</sup>

The Conasysed has been on strike since the end of February, after the government announced the delay in payment of close to 800 teachers' salaries, as well as non-payment of bonuses.<sup>41</sup> The Conasysed said that it will maintain its strike until the government agrees to negotiate, despite recognising the strike's negative impact on the operation of schools across Gabon.<sup>42</sup> Education minister **Florentin Moussavou** says that the government is in no position to meet the Conasysed's demand for a total FCFA 13 billion (\$17.2m).<sup>43</sup> Moussavou supported the government's decision to suspend the Conasysed's operations,

*"The government has decided to suspend this union because it does not respect the rules."*<sup>44</sup>

The Conasysed has since 20 March called for its members and other national unions to begin a national protest to condemn its suspension.<sup>45</sup> It has so far not announced a date for street protests. However, the Conasysed protests appear to have inflamed broader labour tensions,

*"The political situation in Gabon remains very tense, with the multiplication of strike movements, delays in salary payments in the national education sector the source of various flare-ups."*<sup>46</sup>

<sup>35</sup> RFI, 5 Apr 2017.

<sup>36</sup> RFI, 6 Apr 2017.

<sup>37</sup> Source, journalist, Libreville

<sup>38</sup> RFI, 19 Mar 2017.

<sup>39</sup> RFI, 19 Mar 2017.

<sup>40</sup> RFI, 19 Mar 2017.

<sup>41</sup> RFI, 26 Feb 2017.

<sup>42</sup> RFI, 19 Mar 2017.

<sup>43</sup> Gabon Actu, 20 Mar 2017.

<sup>44</sup> RFI, 20 Mar 2017.

<sup>45</sup> Agence Afrique, 20 Mar 2017.

<sup>46</sup> Source, journalist, Libreville

The Conasysed ban is significant, as it represents a significant number of public servants. The government giving in to the union's demands seems unlikely, increasing the possibility of future labour action. Ping will seek to use his support for Conasysed to challenge Bongo, further politicising the labour dispute.

### Shell confirms divestment of onshore assets

**Royal Dutch Shell Plc** on 24 March confirmed that its subsidiary, **Shell Gabon S.A.**, has sold its onshore oil production assets to **United Kingdom (UK)**-registered **Assala Energy Holdings Ltd**, a subsidiary of **United States (US)**-based private equity firm **Carlyle Group**, for \$587m.<sup>47</sup> The sale was not a surprise, with speculation evident since December 2016. Shell specified that the sale and purchase agreement (SPA) are subject to certain conditions, including regulatory approval.<sup>48</sup> The SPA includes \$285m in debt, in addition to the transaction fee.<sup>49</sup> Shell's onshore activities comprise five concessions near Gabon's oil capital, **Port Gentil**, which include **Rabi, Toucan/Robin, Gamba/Ivinga, Koula/Damier**, and **Bende/M'Bassou/Totou**.<sup>50</sup> These assets combined produced 41,000 barrels per day (bpd) in 2016.<sup>51</sup>

Shell has faced strike action during its negotiations with Carlyle, as employees feared layoffs. Members of the **Organisation Nationale des Employés du Pétrole (ONEP)** (oil sector workers union) in January began an eight-day strike action due to the reports of a sale to Carlyle, decreasing Shell's onshore production to 25,000 bpd.

Shell's divestment from Gabon could be indicative of perceived higher political risk in the medium term. However, it appears more likely to be part of its broader worldwide asset scale back. The reduction in production at Shell's former onshore assets, with the transfer to Assala Energy, will reduce Gabon's oil output in the short-term.

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<sup>47</sup> [www.shell.com](http://www.shell.com)

<sup>48</sup> [www.shell.com](http://www.shell.com)

<sup>49</sup> [www.shell.com](http://www.shell.com)

<sup>50</sup> [www.shell.com](http://www.shell.com)

<sup>51</sup> [www.shell.com](http://www.shell.com)

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