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Related Categories: Democracy and Governance; Resource Security; East Africa; North Africa

INDUSTRY REPORT: CHINA-DRC MINING DEAL "UNCONSCIONABLE"

A forthcoming report from the Extractive Industries Transparency Initiative (EITI) describes a \$6 billion infrastructure-for-minerals deal between China Molybdenum and the government of the Democratic Republic of the Congo as "unconscionable." The draft, written by two Congolese consultants, says that the stake given by Kinshasa to the Chinese companies, 68%, is too high – especially given that the Congolese side contributed all the mining assets and 32% of the initial capital for the project. Further, the report alleges that, to date, the deal has not been conducted in good faith pursuant to the original 2008 contract, which was established on the basis that profits from the cobalt mines would first be used to fund DRC infrastructure projects. "To date, less than \$1 billion of the expected \$3 billion has been invested, about \$1 billion less than projected at this stage," the study notes.

While the future of the deal is currently unclear, its fate is potentially highly significant. Sustained disruption of cobalt supply from the DRC - which is the source of a majority of the world's supply of the element – could undermine short-and-long term Chinese manufacturing interests. (Reuters, October 8, 2021)

ETHIOPIA'S NATIONAL AIRLINE IMPLICATED IN WEAPONS SHIPMENTS...

CNN is alleging that, in November 2020, Fly Ethiopia, the East African country's state-owned commercial airline, transported weapons to Eritrea on behalf of the two governments. According to documents obtained by the news channel, shipment of the weapons began shortly after the outbreak of the Ethiopian civil war on November 4th. At the time, rumors of Eritrean military participation were denied by officials in both Addis Ababa and Asmara. However, they were later confirmed to be true.

Legal experts interviewed as part of *CNN*'s investigation concluded that the transport of these weapons, conducted aboard commercial aircraft rather than military or official ones, could have significant ramifications in the foreign policy arena, because "a clause in the US African Growth and Opportunity Act (AGOA) stipulates that eligible nations must not engage in 'gross violations of internationally recognized human rights.'" Previous *CNN* investigations into the conflict, meanwhile, found that the Ethiopian government and its allies had committed atrocities that "bore the hallmarks of genocide and ethnic cleansing." (*CNN*, October 8, 2021)

...AS AHMED CLOSES ETHIOPIAN EMBASSY IN DUBLIN

Ethiopia will soon close the doors of its embassy in Ireland, apparently in retaliation for the Irish government's recent referral of alleged atrocities committed by the Ethiopian government to the UN Security Council. Since the start of the Ethiopian civil war last Fall, the government of Abiy Ahmed has shuttered some thirty diplomatic offices abroad – including representation in a number of economically aligned countries that, like Ireland, have reallocated foreign aid from the Ethiopian government to supporting humanitarian missions in the Tigray region and refugee response in neighboring countries. Both the Ethiopian government and the Tigrayan People's Liberation Front, the former ruling party of Ethiopia currently leading the fight against the Ethiopian government in the country's civil war, have been accused of blocking humanitarian access to Tigray. (*The Irish Times*, September 24, 2021)

EGYPT EYES AFRICA'S TECH MARKET

An Egyptian state technology manufacturer is angling to become the continent's premier electronics manufacturer. SICO Technology, which is partially owned by Egypt's Ministry of Communications and Information Technology and makes cellular handsets sold in Gulf countries as well as France and Rwanda, plans to produce more than two million devices of various brands next year, up from 1.5 million in 2021. The company also plans to expand trade to Tanzania, Liberia, Mauritania and Namibia, as well as to eventually produce other electronic goods. SICO's expansion could represent a boon for Egypt's relations with China and Russia as well, because while roughly 45% of SICO components are sourced locally, other parts come from those two trading partners. This could, in turn, increase China and Russia's influence on the continent as secondary manufacturing powers. (*Bloomberg*, October 4, 2021)

ALGERIA'S CIRCLE OF FRIENDS GETS SMALLER

Algeria has banned the French military from using its airspace and recalled its ambassador to Paris following comments from French President Emmanuel Macron questioning whether the country existed before French colonial rule. The diplomatic spat with France follows a new rupture with regional rival Morocco, with whom Algiers formally cut ties this summer over an array of disagreements. Last month, Algeria took the further step of banning all flights leaving Morocco from traversing its airspace. For France, Algeria's rebuff has concrete strategic consequences, complicating the country's access to the continent during the final months of Operation Barkhane, the French-led counterterrorism mission in North Africa. It is perhaps for this reason that Macron has since apologized for his comments. (Associated Press, October 3, 2021; *Al Jazeera*, October 4, 2021)