



AFRICA POLICY BRIEF

Putin in Africa

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This Africa Policy Brief analyses why Russia's renewed Africa policy is an extension of its political ambition to build strategic control over energy networks. African leaders insist that dealing with Russia diversifies their political and economic alliances and sources of foreign investment. In reality, these deals are tilted heavily in Moscow's favour, and are designed chiefly to secure its control of prized energy assets.

REBUILDING MOSCOW'S POWER IN AFRICA

Ukraine isn't the only place where Vladimir Putin's Russia has flexed its foreign policy brawn. During a visit to Cairo on 10 February, Putin scored his latest *coup de maître*: the signing of a memorandum of understanding (MoU) on a nuclear cooperation deal with Egyptian President Abdel Fattah al Sisi.¹ Under the agreement, the state-owned Russian nuclear energy company Rosatom Overseas and Egypt's Nuclear Power Plants Authority will work together to construct two nuclear reactors – Egypt's first – with the prospect of two additional nuclear units in the future, along with a desalination facility.

Originally, Egypt's nuclear project was to be bid on in an international tender process. Instead, in

a clear gesture of defiance towards Washington, Russia was awarded the contract by Egypt without proffering any bid. Indeed, the agreement came just as the United States began to scale back energy cooperation with Egypt due, in part, to concerns over the Sisi government's curbs on press freedoms and its abusive handling of members of the previous Muslim Brotherhood government of Mohammed Morsi. This has left Sisi looking for other partners while carefully monitoring the reaction of the United States to see whether they would change the way they are currently treating Egypt.² Capitalizing on the US absence, Russia eagerly stepped in. For now, the full terms of the deal remain secret.

Quietly, but with determination, Putin is executing a sound plan to build up Moscow's economic and political power on the African continent. In addition to its deal with Egypt, Russia is also helping Algeria exploit its oil and gas reserves,³ while Putin and South African President Jacob Zuma have laid the groundwork⁴ for a strategic relationship that far exceeds the boundaries of the BRICS fraternity of nations. African leaders like Algeria's Abdelaziz Bouteflika, Uganda's Yoweri Museveni, Egypt's Sisi, and South Africa's Zuma have been eager to roll out the red carpet for their Russian counterpart. Partnering with Putin, they insist, diversifies their political and

economic alliances and sources of foreign investment.

THE NATURE OF CONDITIONS DIFFERS

In the past, the EU and United States have offered African governments deals that come with a range of conditions. The EU's conditionalities on human rights, democratic principles and the rule of law have been embedded in the general policy on trade and development with African, Caribbean and Pacific states (ACP). The first indication of these conditions dates back to the Lomé Conventions (1975–1990) and the subsequent Cotonou Agreement (2000–), in which good governance is referred to as 'the transparent and accountable management of human, natural, economic and financial resources for the purposes of equitable and sustainable development.' The United States has developed similar conditions but was largely motivated by Cold War considerations in its efforts to promote Western-style democracies throughout Africa.

The Russian offers, by contrast, include no human rights, democracy or rule of law clauses. But the conditions they do include may end up having unanticipated, unpleasant results – consequences that, in some cases, African leaders appear to be well aware of, but would prefer not to make public because the agreements would not withstand scrutiny, would create public outrage and ultimately might endanger their position. The reality is that these deals are tilted heavily in Moscow's favour, and are designed chiefly to secure its control of prized energy assets.

A NUCLEAR DEAL BETWEEN RUSSIA AND SOUTH AFRICA

Take, for example, the 'pre-bid' agreement⁵ signed between South Africa and Russia on 21 September 2014 at the International Atomic Energy Agency General Conference in Vienna.

The agreement, signed at a meeting between Rosatom director general Sergey Kirienko and South African energy minister Tina Joemat-Pettersson, made Russia South Africa's prime nuclear contractor.⁶

Given the potential impact of the deal, one would think the government of South Africa would want to make its deal with Russia public and explain why the French and Chinese bids were not as good as the Russian one. Instead, it refused requests from amaBhungane, the Center for Investigative Journalism, and others, under the Promotion of Access to Information Act, for copies of the Russian, French, and Chinese pre-bid agreements, citing 'the delicate process of negotiations . . . with other countries.' In the end the government caved in and disclosed the Russian bid, and amaBhungane exposed the details of the secret pre-bid agreement between Russia and South Africa in a series of articles.

Though the pre-bid agreement includes some fairly standard stipulations for nuclear contracts, including intellectual property clauses and restrictive conditions linked to technology transfers, two of its clauses are quite unusual. The first states that Russia will hold a binding veto over South Africa's capacity to do business with any other nuclear vendor for up to 20 years – unprecedented in the history of the nuclear industry. The second clause stipulates that South Africa cannot export the nuclear technology it develops, like its passively safe core 'pebble-bed' reactor. This condition could become a major obstacle to Pretoria's goal of developing a national globally competitive nuclear industry.

THE STRATEGIC RELATIONSHIP BETWEEN ZUMA AND PUTIN

In fact, South Africa's pre-bid agreement with Russia is a bad deal, and the South African government – including President Zuma himself – wanted to keep it secret because of that. Even though the deal with Russia may be based on

economically unsound terms, it is part of Zuma's long-term plan to solidify South Africa's ties with Moscow. This strategic collaboration also includes a satellite surveillance programme called Project Condor,⁷ launched into orbit by Russia last December. Condor provides Pretoria with surveillance coverage of the entire African continent, and has cost South Africa some \$100 million, according to a secret report unearthed by Al Jazeera English.⁸ In August 2012, 30 Russian technicians were working 'in close cooperation with South African authorities on the project' at the time of Project Condor, which 'is regarded as a significant part of the envisaged strategic cooperation' between Russia and South Africa.

RUSSIA'S AMBITION IS STRATEGIC CONTROL OVER ENERGY NETWORKS

Russian energy giant Gazprom already holds stakes in various Libyan oil and gas concessions, is involved in joint ventures with Algeria's state-owned hydrocarbon exploitation company Sonatrach in the Berkine basin in Algeria, and signed MoUs with both Algeria in 2006 and the Libyan National Oil Corporation in 2008. Gazprom also signed oil and gas cooperation agreements with Nigeria in 2009.

Needless to say: this Russian involvement indirectly creates a potential cause for concern for the West. Russia's pragmatic approach allows it to take the lead in new markets, and impose its technology, and, thus its state-owned industry.

Putin has a renewed interest in Africa because it can play an important role in his political ambition to build strategic control over energy networks and resources. He can use the deals he made with Algeria, Libya and Nigeria to put the EU under pressure with regard to its future energy provision. The EU has witnessed Russia's plans to reinforce its control over Europe's energy supplies. Turkish Stream, the

newly planned pipeline project linking Russian gas fields to the European market, is Putin's latest attempt at countering Europe's diversification efforts in the east. But Russia is further reducing the EU's supply options by coupling its effort in the east with its efforts in Africa, especially in the countries that could eventually serve as alternative suppliers (to Russian energy resources) when it comes to European energy needs. Nigeria is also important to the United States for the diversification of its oil supply.

The United States and the EU can counter this development by approaching both African leaders and the issues they want addressed in a political instead of a developmental framework. One of the first nuclear issues that needs to be put on the table is how African countries are going to secure their nuclear sites and put in place the necessary emergency plans in case of a nuclear disaster without the support of the EU and/or the United States. Because Russia has made it very clear in the conditions of the pre-bid agreement that it is not to be held accountable in the event of such an incident.

CONCLUSION

African leaders insist that partnering with Russia diversifies their political and economic alliances and sources of foreign investment. But the argument put forward by African governments that the conditions imposed by the EU and the United States hamper their economic development is spurious, as the details of the nuclear pre-deal between Russia and South Africa illustrate: those conditions are the definition of contractually stipulated long-term dependency. African leaders should be more circumspect, and not replace one dependency with another. If they don't, they risk allowing Russia to use them as a pawn in the development of its renewed Africa policy while getting very little in return, except possible gains that are as secret as the agreements.

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END NOTES

¹ Russia's Putin, Egypt's el-Sisi agree on preliminary nuclear power deal
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² Vladimir Putin's Egypt visit sends message to US
<http://www.theguardian.com/world/2015/feb/09/vladimir-putin-egypt-visit-message-us-russia>

³ Putin Makes First Official Visit To Algeria
<http://www.rferl.org/content/article/1066563.html>

⁴ Jacob Zuma's mysterious mission to Russia
<http://www.news24.com/SouthAfrica/Politics/Jacob-Zumas-mysterious-mission-to-Russia-20140831>

⁵ Exposed: Scary details of SA's secret Russian nuke deal
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⁶ South Africa signs \$10 billion nuclear deal with Russia
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⁷ South Africa spied on own government to get facts on joint project with Russia
<http://www.theguardian.com/world/2015/feb/25/south-africa-spied-government-facts-joint-russian-project>

⁸ South Africa spied on own government to get facts on joint project with Russia
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