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## Angola: Changing with the times

ALEX VINES

Research Director, Regional and Security Studies, Chatham House

With oil production and international prices set to rise further in 2010, Angola's leaders will once again enjoy an oil rent boost from which to fund public investment and domestic consumption. It looks like real GDP is forecast to grow by 9.4% in 2010 before falling back in 2011 to a still impressive 6%. Angolan officials predict that with this strong recovery in export revenue in 2010, they will be able to book a return to current account surplus of over 3%. Angola's crude oil production in early 2010 rose to 1.95 million barrels/day (b/d), the highest level since January 2007, and Deputy Oil Minister Aníbal Octávio da Silva signaled in early April that Angola planned to increase production to 2.2 million b/d by 2011. How this estimate sits with Angola's commitments to maintaining its OPEC quota is unclear.

After the extravagance of the African Cup of Nations football tournament in Angola, the party is over, and the bills need to be paid. The government has

promised to repay more than US\$2 billion in arrears owed to Portuguese and Brazilian construction firms such as Brazil's Odebrecht and Portugal's Mota Engil and Teixeira Duarte; Chinese companies also hint that there are significant payment delays, especially from the China International Fund – a joint venture between Chinese and Angolan private interests.

There is new infrastructure and lovely football stadiums, but poverty remains the prime challenge for the Angolan government. Attempts to attract non-oil investment to Angola have experienced setbacks. It is disappointing that Chiquita decided that all the extraordinary additional costs of operating in Angola were too high, and so it has shifted its focus to Mozambique to invest in banana plantations. At least the National Assembly approved a new law in March aimed at promoting the development of the biofuel industry in Angola: already a number of major international oil companies have been looking at prospective investments, but the new law imposes strict restrictions, including obliging foreign firms to sell a portion of their production to Sonangol and form partnerships with local businesses. In addition, there are "social content" provisions that present a further barrier to entry.

The vision is that this new sector could drive employment in rural areas, and create a sustainable revenue

source that is non-mineral. Currently there are over ten projects under development, including a sugar project in Malange province that aims to produce 30 million liters of ethanol, 160 megawatts of electricity and 260,000 tonnes of sugar for domestic consumption by 2012.

Diversifying the economy makes good policy, but forced evictions in Lubango have certainly not. Government actions left 3,800 families homeless as makeshift housing was demolished along the route of the semi-functioning Moçâmedes railway. Heavy-handed tactics by Angolan riot police and inadequate provisions for the evicted received only muted coverage by the Angolan media initially, and then the local governor invoked a gag order on reporting about the removals. The public outcry against this is good, and Internal Administration Minister Bor-nito de Sousa bravely offered an apology in April for the way the authorities had handled the evictions and the government has dispatched a legal team to Lubango to investigate. This report will signal whether the Angolan government is willing to learn from its mistakes in Lubango and accept greater public accountability. Angola is changing and its government should not only focus on diversifying its economy, but also on how it treats its citizens as part of its development strategy, as they should ultimately be the beneficiaries.



# Brazil and Russia at the crossroads

SEAN GOFORTH

Professor, Coastal Carolina University

President Luiz Inácio “Lula” da Silva is heralded for his diplomatic prowess. In a region where fissures between the Andean left and business-friendly right often lead to bitter attacks, all of Latin America’s heads of state count him as a friend. But managing Brazil’s relations with Russia is putting Lula’s diplomacy – and strategic foresight – to the test.

During his first term (2003–2006), Brazil and Russia strengthened ties by forging agreements on space travel, missile defense, and military weapons transfers. These pacts nurtured Brazil’s ascension, adding some of the prestige needed to allow the nation to go from the dubious ‘B’ to an undisputed member of the BRIC, assuming the mantle of Latin America’s regional hegemon along the way. But Brazil and Russia’s relations did not significantly expand into the realm of trade. In 2005, Russia accounted for 2.5% of Brazil’s exports – less than Italy, and 40% less than exports to the Netherlands. Russia accounted for an even lower percentage of Brazilian imports.

Since that time, the BRIC moniker has masked the widening divergence of Brazil’s development vis-à-vis Russia. One decade after the BRIC group was theoretically constituted, Brazil has experienced solid economic growth, quickly righted itself from the turmoil of two exogenous recessions (2002 and 2009), and faces a brilliant future buttressed by strong economic fundamentals and solidifying democratic institutions. Russia, on the other hand, has experienced the loss of democratic freedoms and is economically dependent on oil and gas exports. While economic reliance on commodities did not warrant

much concern in Russia until the fall of 2008, today that reliance seems a liability. In 2010, Russia’s standing in the international community owes to its permanent seat in the Security Council and nuclear stockpiles.

Russian dynamics have shifted more starkly in the wake of the 2008 presidential election. Across a slew of issues – economic reforms, Ukraine, Iran – President Dmitry Medvedev has demonstrated an unexpected willingness to alter the path he inherited, one which is still offered by Prime Minister Vladimir Putin. Increasingly, it appears that engaging Russia means *either* picking one of the two leaders to back *or* trying to massage deals to appease both. So far, there are signs that Lula’s administration is ticking toward the Putin camp. In certain instances, such as efforts to build a new international trade regime that decreases reliance on the dollar in lieu of greater use of domestic currencies and expanded use of IMF-backed securities, Russia sings with one voice and Brazil shares the tenor. Not so when it comes to Iran.

President Medvedev has warmed to the position taken by the U.S., Britain, and France, acknowledging that Iran is “ignoring questions”, and that sanctions (though not sanctions that cut off oil imports) will be necessary if the Islamic Republic does not shape up. Putin, by contrast, has not substantively changed his view since last fall, when he scoffed that “there is no need to scare the Iranians” with threats of further sanctions. And it is the latter view that Lula shares, notably sending his foreign minister to Tehran, where President Ahmadinejad was presented with a Brazilian soccer jersey, while Lula himself was at the nuclear summit in Washington urging President Obama to soften tone on Iran.

Projecting forward in this new decade, geopolitical fluxes could put the two nations gradually at odds. Russia is attempting to build two gas pipelines for delivery of natural gas into Western Europe, bypassing “unreliable” transit countries in Eastern Europe.

Recognizing that this would only enhance Europe’s dependence on Russian gas – already seven of 27 EU members are almost completely dependent upon Russia energy – various non-Russian alternatives are being touted. Foremost among them is the Nabucco pipeline, which will stretch from the Caspian Sea into Austria before splintering through Western Europe. As Paulo Gorjão pointed out in the previous *Bulletin*, Europe will still require ancillary energy sources. In a variety of scenarios, perhaps involving the gas market of the South, Brazil could become a larger energy supplier to Europe. Should this come to pass, Brazil’s gains would mean not just the loss of an economic opportunity for Russia, but would deny it much coveted leverage in European affairs as well.

Even if Brazil’s next president – the election will be on 3 October – faces a world in which Brazil’s interests may bump up against Russia, it may not affect relations between the two. Provided, that is, that the next Brazilian president inherits Lula’s knack for fluid diplomacy.

## A peace-building mission is needed in Guinea-Bissau?

VASCO MARTINS

Researcher, IPRIS

Ever since former President João Bernardo “Nino” Vieira’s assassination in March 2009, Guinea-Bissau, against all odds, found itself in a strange climate of calm and peace. But the capital, Bissau, with its deep divisions and internal strife, was once again at



the centre of the agenda after the arrest of Prime Minister, Carlos Gomes Júnior – released a few hours later – and (now former) Armed Forces Chief of General Staff, Admiral José Zamora Induta. The Armed Forces Deputy Chief of General Staff, Major General António Indjai, together with Rear Admiral José Américo Bubo Na Tchuto, the former Navy Chief, who had returned to Bissau from exile in Gambia in December 2009, headed the bloodless coup.

These events highlight a very simple truth: Guinea-Bissau, after decades of conflict and division, is in dire need of foreign intervention. The European Union is holding a mission in Guinea-Bissau with the aim of reforming the security sector, a mission clearly failing after the events of early April. Even the United Nations mission, with its projections and mandate, is failing due to its large scope of action, its expectations largely exceeding its diminished capacity for change. Thus, reshaping these efforts is of critical importance in order to produce a positive outcome.

Barack Obama's administration understood the challenge and applied sanctions to two top government officials who were involved in drug trafficking in Bissau. Kiyoshi Wada, speaker of the diplomatic mission of Japan in the United Nations, the country holding the presidency of the Security Council, directly associated the climate of instability with the enormous problem of drug trafficking in the country. These actions help expose why the internationally supported missions are not working. Both the EU's and the UN's missions are based on the premise that Guinea-Bissau has a working state structure and needs only lateral adjustments. Instead, what the above-mentioned reports suggest is that in order to fight instability, much of which is created by drug trafficking, the country needs to engage in the massive endeavor of state building. A clear constitution, with everyone's rights and duties assured, working institutions, with a focus on the police

and the military, and the rule of law, strictly applied by a clean and working judiciary system, are needed to start the process.

The Community of Portuguese Speaking Countries (CPLP) – of which Guinea Bissau is a member – should be brought in for counseling and direction, as it not only works under the same official language, but also possesses a deep knowledge of the country and its elites. Moreover, CPLP member countries like Angola, which has experience in such projects, especially at reforming the police and military institutions, would provide an invaluable asset to the country's reform. Portugal could press for multilateral engagement, as it did with regards to Timor Leste, directing its diplomatic efforts to the African Union (AU), the Economic Community of West African States (ECOWAS), the European Union, the CPLP and the United Nations.

In addition, a UN peace-building mission should enhance these efforts. By sending a small contingent of UN peace building troops to Guinea-Bissau, the international community would not only be securing peace, but also disrupting the drug trade flow, as its sheer military presence, accompanied by proper surveillance, would impede and slow the traffickers' pace.

The best option is a concerted and integrated peace building operation, with a UN mandate, involving the multilateral institutions mentioned above, all of them pressuring Bissau's political and military elites for change.

Although the bureaucratic machinations and procedural details needing resolution would be enormous in a country which rarely makes its way onto the international agenda, Guinea-Bissau's instability due to drug trafficking could further undermine the CPLP and the EU's position in the region, which has always been unstable. Providing only a small contingent of troops and specialized personnel would be more than enough to secure Bissau's future. A special motivation

for engagement is the fact that drug trafficking in Guinea-Bissau is partially directed at European markets. Due to Guinea-Bissau's small size and population, a limited operation would be more than enough to correct the mistakes of the past and secure both the country's economy and its relations with Europe. Without this, as the Guinea-Bissau has shown over and over again in the past decade, if left alone, the country will become a failed state, as well as a narco-state.

## Portugal and China: Prospects of an asymmetrical partnership

PAULO GORJÃO  
Researcher, IPRIS

On 8 and 9 April, the Portuguese Minister for Foreign Affairs, Luís Amado, visited the People's Republic of China. In Beijing, he met with the First Vice-Premier Li Keqiang, his counterpart, Yang Jiechi, and Minister of Commerce Chen Deming. While in China, Luís Amado emphasized the economic opportunities awaiting Portuguese enterprises in China. Indeed, it seems that Portuguese exports to China could grow much more if there was a coordinated strategy.

Yet, bilateral trade has increased substantially in the last few years. Between 2002 and 2009, Portuguese exports to China rose from 0.29% to 0.76%, and imports went from 0.81% to 2.40%. In other words, between 2002 and 2009, China rose from Portugal's 28<sup>th</sup> export market to the 16<sup>th</sup>,

and from its 18<sup>th</sup> import market to the 9<sup>th</sup>. Today, China's relevance as an economic partner is indisputable. Moreover, the trend suggests that economic exchanges between both countries will continue to grow in coming years. The major Portuguese export markets are European, a pattern that overexposes the country's economy to the European growth cycles. Thus, Portugal wishes to diversify its export markets outside Europe. Barring any unforeseen circumstances, it appears likely that China will soon enter into the Portuguese top ten of export markets.

On the political and diplomatic front, Luís Amado kept silent about China's standing on the Portuguese candidacy for a non-permanent seat in the UN Security Council during the 2011-2012 biennium. However, it is not likely that China will publicly express its preferences, no matter how its vote will be cast. After all, as a Security Council permanent member, China will have to work with the elected countries no matter who they are. Yet, as a goodwill gesture, China allowed Luís Amado to reveal that, when the moment is ripe, Beijing would support Portuguese as a working language in the United Nations system, a much-sought goal of the Portuguese diplomatic corps.

Macau was once a topic constantly discussed between both countries. Now, ten years after the return of the territory to Chinese sovereignty, Macau has become a non-issue. It is almost awkward that a Portuguese Foreign Minister goes to Beijing and does not stop in Macau, something unthinkable just 15 years ago. Instead, European and African issues have taken Macau's place on the agenda. Yet, though Portugal is one of the few European countries that has a strategic partnership with China, the truth is that the political agenda between the countries is still rather superficial, more so than it should be. This is a consequence of the asymmetrical nature of the relationship. More importantly, it is a byproduct of the lack of a common agenda. There is a lack

of a consolidated bilateral agenda, beyond multilateral mechanisms. Thus, despite the official discourse, the truth is that much remains to be done to cultivate a deeper political relationship. Bearing in mind that Portugal and China do not have unsolved political, economic or military issues between them, or conflicting goals in the international system, it should be possible to deepen their political cooperation.

Earlier, in an interview, Luís Amado pointed out the geopolitical changes that have taken place since the end of the Cold War, gradually transforming the Asian continent in the new epicenter of power. In his view, Asia, not Europe, will be the major player in the XXI<sup>st</sup> century. If this prediction becomes true, and facts seem to suggest that it could, then in the new geostrategic environment, China could be Portugal's privileged gateway to Asia. Bearing in mind the smooth political and diplomatic relations between both countries, from the point of view of Beijing and Lisbon it makes sense to invest more in their relationship. Indeed, this is a win-win situation.

In the second semester of 2010, the Chinese President Hu Jintao will pay a state visit to Portugal. One should remember that the last Chinese presidential state visit took place in October 1999, with Jiang Zemin, still under the shadow of Macau's return to China's sovereignty. This hiatus of ten years between presidential visits offers an instrument to assess the relevance of Portugal to China. After Hu's state visit, will the next one take another ten years to happen? It is unlikely, bearing in mind the current political and economic trends of growing closeness between the countries. Indeed, it is reasonable to assume that China will have an increasing political and economic relevance within Portugal's foreign policy. And although the same is not true regarding China, at least not in the same scale, nevertheless it seems that Portugal will also become an increasingly important partner to China in the forthcoming years

## Portugal and the Maghreb: Latest phase of a new possible foreign policy axis

DIOGO NOIVO

Researcher, IPRIS

The current and preceding governments of Portugal, both lead by Prime Minister José Sócrates, invested much time and effort in establishing and deepening ties with the Maghreb. Since the transition to democracy in the 1970's, these were the Portuguese administrations that dedicated the most attention and energy to the North African region, signing memoranda and agreements on areas such as trade, energy, culture, security or defense. Foreign Affairs Minister Luís Amado has visited the Maghreb several times, as did Prime Minister Sócrates, who, in 2007 during a visit to Algeria, defined the region as a "foreign policy priority" for Portugal – an idea which was reiterated this year. These statements are more than empty rhetoric. For example, in 2008, the Maghreb was Portugal's fifth-largest trading partner, just behind the European Union (EU), an organization that, for Portugal, is of the utmost importance and that is one of the three traditional foreign policy pillars.

The latest political stage of this new foreign policy orientation was reached on 21-23 March, with Sócrates and Amado visiting the Maghreb, accompanied by Minister of the Economy Vieira da Silva, Minister of Science and Higher Education Mariano Gago, as well as a delegation of Portuguese investors. The delegation visited Libya, where it discussed the next EU-Africa Summit, to be held in Tripoli. Then, in Algeria, renewable energy was the central topic on the agenda.



On previous occasions, in 2007 and 2008, Sócrates said that he intended to establish with Algeria a long-term political relationship, underlining that there are already solid and friendly relations between officials from both countries. Important energy agreements have already been signed, namely with Sonatrach on gas supplies – a strategic area whose importance was reiterated now, in 2010, by Sócrates.

Tunisia was the next country visited, and had the most time in the official agenda, with a Luso-Tunisian Summit held. Alternative energy was also discussed, and agreements in sectors such as tourism, science and innovation, trade and culture were signed. The relations between Lisbon and Tunis seem to be having fruitful results, since Portugal is already the fourth-largest provider of Foreign Direct Investment in Tunisia – one of the central topics of the second Tunisian-Portuguese high-level meeting held during this visit, chaired by the two Prime Ministers, Mohamed Ghannouchi and José Sócrates.

Morocco was the last stop where, in the three hours set on the agenda, Sócrates met with Prime Minister Abbas El Fassi. In this meeting, the two Prime Ministers had preliminary talks about the next Luso-Moroccan Summit, to be held in June, and, in his final statements, Sócrates pointed out that the countries have excellent, problem-free bilateral political relations – a fact that distinguishes Portugal's approach to the Maghreb from Spain or France. Currently, in the Maghreb, Morocco is the main destination of Portuguese exports.

However, and regardless of the clear commitment that Portugal has today to the Maghreb, this new foreign policy axis requires a real strategy, where goals and the ways to achieve them are well defined. If not, this approach might prove itself to be an extemporary venture. In spite of having traditional focal points of action, Portugal's foreign policy has never had consistent planning that developed medium-term objectives. The

Maghreb is one of the least controversial areas of Portuguese policy because there never was a proper and comprehensive strategy to discuss. Portugal currently enjoys unique conditions to set a foreign policy foothold in the Maghreb, but this opportunity will not last forever, nor will it bring any benefit if relations are forged haphazardly. Moreover, and so far, all efforts have been highly dedicated to the internationalization of the Portuguese economy. Though crucial, a strictly economic angle will not necessarily lead to stronger and more consistent political ties.

As Prime Minister José Sócrates has stated time and again, the Maghreb has a vital strategic importance to Portugal. Losing the opportunity for closer and more beneficial relations due to the absence of a clear path will mean a lost chance to reshape and rethink Portugal's standing in the world, and will come at a grave cost for the development and economic stability of Portugal.



# Portugal and São Tomé and Príncipe: Beyond oil expectations towards real cooperation

PEDRO SEABRA AND ANDRÉ MONTEIRO

Researchers, IPRIS

When considering the preferential relationships within the Lusophone world, São Tomé and Príncipe (STP) has a tendency to easily fall under the radar. Either due to its relatively small size, scarce political capital or apparent lack of strategic importance, this tiny island nation is frequently overshadowed by the political and economic developments of the predominant triangle Brasília-Luanda-Lisbon.

Nevertheless, São Tomé is steadily fighting back against such a traditional view by consistently drawing an increased amount of regional and international focus to its supposedly vast natural resources and to its geographic location. It is becoming an interestingly potential player in the Gulf of Guinea region, currently high on the agenda of many world powers.

Subsequently it is no wonder that São Tomé is rising up to its Lusophone peers, amongst which Portugal – its former ruler – still withholds considerable credit and is nowadays a reliable aid and development partner. However the relationship between the two countries is still very incipient and several opportunities remain to be addressed.

An overall evaluation of the effects on the ground of this sudden “energetic boom” will need to take place in order to better understand its connections with the political context in São Tomé. With such variables in mind, the current state of cooperation between Portugal and São Tomé will then be addressed, eventually identifying areas where it is possible to reinforce such bilateral ties.

## Anticipating the resource curse?

Much of São Tomé’s increased visibility on the international scene is due to its prospective offshore oil production. Along with the recognition of enormous economic potential, the international community saw in STP the perfect opportunity to tackle the infamous ‘resource

curse’ at its source. Seen from the outside, this small and rather pacific island nation still holds the potential to become a positive example in a region ridden by cases of oil rent mismanagement.

An overall analysis of social and economic indicators offers mixed signals regarding STP’s current situation. With a small population of 163,000 in 2009 according to the United Nations, and a nominal Gross Domestic Product of US\$191 million (US\$1,174 GDP per capita) in the same year according to the International Monetary Fund, STP still manages to reach intermediate figures in human and political development-related indicators. For instance, it ranks 10<sup>th</sup> in the 2009 Ibrahim Index of African Governance, which measures indicators such as rule of law, participation and human development. São Tomé is considered, according to UNDP’s 2009 Human Development Index, a medium-developed country, positioned in 113<sup>th</sup> with a 0.651 mark. Most surprising is the 95<sup>th</sup> position in the 2009 Failed State Index, placing STP above Angola, Mozambique and even Cape Verde.

These few statistics seem to indicate that even if STP is a poor country, it holds a stable political framework. Yet no correlation can be extracted between the above-mentioned data and, on one hand, the quality of political institutions and, on the other, the country’s capacity to absorb and manage oil rents in order to improve San Tomeans’ daily life. One has to bear in mind that the so-called ‘resource curse’ – by which a country rich in natural non-renewable resources like oil gets stuck in a cycle of economic uncompetitiveness and autocratic regimes, thus failing to deliver social, economic and political development for all – is not fatal. Then, it is important to analyze how political power has been driving the process of developing this resource exploration in STP to understand what outcome it will deliver.

São Tomé’s oil reserves are estimated at 2 million barrels. In 2004, The Economist Intelligence Unit estimated



that by 2009, STP would be producing 120.000 barrels per day. Yet not a single drop of oil has been extracted from the country's waters. The only revenues touched by São Tomé until today were some US\$77.8 million derived from signature bonuses. Since 1997, when the first contracts were signed with oil companies, virtually every agreement was denounced as unfavorable to São Tomé's interests.<sup>1</sup> It is now recognized that STP's leadership was ill prepared to negotiate such deals, particularly when facing regional powerhouse Nigeria, a country that shaped STP negotiation processes and is essentially the guarantor of its access to rents. The Joint Development Zone, divided by 60%-40% in favor of Nigeria – where most of the oil is to be extracted – depends on Abuja's will to be explored. STP's Exclusive Economic Zone is of less interest to oil companies, and the government has not yet received valid proposals to explore it.

When Fradique de Menezes assumed the Presidency in 2001, he tried to renegotiate contracts and obtain diversified international cooperation. He managed to involve the University of Columbia's Earth Institute in the preparation of the oil revenue management law, a piece of legislation meant to assist the country in avoiding the 'resource curse'. The law – which was approved in 2004 – respected all the international best-practice ideas and established an ideal model to avoid fund mismanagement. STP is also a member of the Extractive Industries Transparency Initiative. Accordingly, the World Bank's 2002 Poverty Reduction Paper aims to better equip the country in the areas of "public institutions and promotion of a policy of good governance". These initiatives, which are based on technical expertise and handbooks, can hardly be put in practice if one takes a closer look at the local and regional political structures.

It is clear that the process of negotiation with oil companies was seriously flawed and relations with Nigeria remain extremely unbalanced. Even with good intentions expressed on paper, it is highly questionable that these can be put into practice. Over this decade, no strong institutions have been created to receive and manage oil

rents. As such, it will not be because of oil that STP's economic and social situation will evolve. Instead, political performance is of paramount importance if the country is to benefit from its potential wealth.

### The need for political stability

In order to take advantage of its natural riches and to propel overall economic and social development, STP should provide a clear and predictable political framework, as well as solid institutions. Such a base would be a starting point that would allow for a steady and viable exploration of such resources, thus generating constant rents that could be spent on the nation's development and growth, as envisaged by the democratically-elected leadership.

When it comes to São Tomé and Príncipe, this rather utopian model is frequently put to the test, as those in-

stabilities verified in the past and foreseeable in the current/near-future scenario are likely to interfere with any designed plans.

After the new Constitution in 1990 – including the establishment of multiparty democracy and free elections in the following year – it is possible to discern a pattern involving singular but worrisome episodes of political inconsistency.

Already in August 1995, still consolidating its democratic structures, STP witnessed its first *coup* under the new order, when a group of rebels imprisoned President Miguel Trovoada for a week – a situation which would be resolved by An-

golan mediation. This brief strife was not enough to seriously undermine the state's authority, but it left a sense of vulnerability in the country's burgeoning democracy.

Such fears were apparently set aside when Fradique de Menezes won the Presidency in late 2001. Nevertheless, constant political disputes between the new President and successive governments concerning areas of competence – in the first two years of Menezes' Presidency, the country had five different executives – quickly became routine. The situation was further aggravated when on 13 July 2003 a group of military officials and South-African-trained paramilitaries, led by Major Fernando Pereira – and taking advantage of Menezes absence abroad – performed yet again another *coup d'état* in the name of the country's continuing social and economic crisis. Only with the outspoken opposition of regional neighborly

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<sup>1</sup> See Gerhard Seibert, "São Tomé and Príncipe: 12 oil ministers since 1999, but not a single drop of oil yet" (IPRIS Lusophone Countries Bulletin, No. 5, March 2010): 5-6.



power Nigeria and the combined mediation of the U.S., CPLP (Community of Portuguese-Speaking Countries), ECCAS (Economic Community of Central African States) and African Union, was it possible to restore constitutional order to STP.

Despite the apparent goodwill derived from this 'setback', six years later on 12 February 2009, the arrest of over 30 people involved in a new alleged attempt to overthrow Menezes – among them Arlécio Costa, co-participant in the 2003 plot – only served to add another chapter to São Tomé's erratic political status.

Additionally, political bickering between Fradique de Menezes and the consecutive short-lasting governments continues to inspire little trust in the country's march towards greater economic and social development. The latest clash of forces between current Prime Minister Rafael Branco and Menezes – concerning the latter's alleged intentions to 'perpetuate' his legacy – is bound await a definite and decisive resolution until the upcoming August elections.

Complicating things even further, the political ramifications of the troubling regional context are also likely to affect the tiny island nation. Sitting on massive oil reserves – and tapped to succeed the Persian Gulf as the world's next primary energetic supplier – the Gulf of Guinea is gathering global concerns due to increased unrest in local colossus Nigeria, prosperous piracy and crime organizations, and lucrative drug trafficking. Faced with such perils, local countries, including São Tomé and Príncipe, are bound to suffer greater international pressure to collaborate in any individual or collective effort which tackles the region's problems. This in turn will proportionally heighten the need for the internal stability of every local partner if such common issues are to be firmly dealt with.

#### **The current Portugal-São Tomé framework**

As the former colonial power, Portugal only ceded control over its African domains after a lengthy and costly war against several guerrilla movements throughout

the continent. In the case of STP, where no conflict was fought, Portugal conceded independence in 1975. In the aftermath, a General Agreement on Cooperation and Friendship was quickly established with the island nation that would provide a political framework for a bilateral relationship between the two countries in the following years.

Nevertheless, despite the significant amount of economic aid granted throughout the years, cooperation between Portugal and São Tomé needs a fresh start with the formalization of Indicative Cooperation Programmes that allowed for a better planning of bilateral development cooperation, coordinated by the Portuguese Institute for Development Support (IPAD).

The first ones, designed for the 2002/2004 and 2005/2007 periods were worth €40 and €41 million respectively, and focused on the main areas of development aid – health, education and human resources.

Still, with the 2008/2011 programme, slight but significant changes arose concerning the focus of the aid terms agreed. An increased sum of €45 million takes in consideration the current threats to the nation's growth, thus aiming to correct some of the country's structural flaws. Portuguese authorities opted to redirect their attention towards good governance, participation and democracy – comprising institutional capacity, technical-military and policing-security cooperation – while at the same time not neglecting the traditional

objectives of fighting poverty or pursuing sustainable development. These areas are in tandem with the aspects focused on by the above-mentioned World Bank program.

This support scheme becomes important when adding to the equation the country's geographic bearing, as well as the constant struggle in coming to terms with the "oil-exporter" status. Therefore this new approach in the bilateral relationship must inevitably be understood in the context of São Tomé e Príncipe's increasing importance on the global stage, and take into account the Portuguese government's wish to benefit from any existing preferential ties and further reinforce them.

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A further proof of this 'interest' can be found when, in 2008, the Portuguese government forgave STP's debt – estimated at €22 million –, granted a new €50 million credit line to help exports to the archipelago, and signed an Integrated Programme of Technical Cooperation and Assistance in Public Finance for 2008-2011, targeting the island's macroeconomic stability and the reform of the state's finances and public administration.

Nevertheless, this apparent bilateral boost seemed to sidetrack the considerable military relations between the countries, bound by a 1988 Technical-Cooperation Agreement which has so far provided military exchange, training and formation for São Tomé's forces. The misstep consisted in ending of the nearly 20-year-long mission of a Portuguese C-212 Aviocar transport and surveillance aircraft, with its respective crew permanently stationed in STP. Although compensated by increased funding for local military reform projects – up to a total of €600 million in 2009 – the 2008 decision is hardly understandable in the general strategic context, either due to the relevance of the mission – on call for aerial support and evacuation and search and rescue efforts – or the aforementioned desirable foreign agenda.

### The road ahead

In order for Portugal to take the relationship with STP to the next level, clear and coherent directives that can guide Portuguese foreign policy must stand up to competition from several major players also interested in this particular part of the globe.

One front to begin with would be oil exploration. Although persistently looking for international heavyweights in this sector, Prime Minister Rafael Branco's words could not be more explicit: "This government has assumed from the start that Portugal and Angola were two strategic partners and that presupposes not only cooperation between our states but also the participation of those coun-

tries' companies in our resources development process". Therefore, when it comes to Portugal, national oil company Galp Energia is a clear frontrunner to any potential deal with local Petrogás, thus potentially providing a stable and viable business consortium for the exploration of several oil blocks. This would exponentially increase trade flow between the two countries, still very insignificant,<sup>2</sup> and open up a new window for cooperation between the two countries, this time more economically centered.

Nevertheless, this possible sectarian investment does not invalidate the previous approaches already on the ground.

Portugal has throughout the years built a reputation as a credible and reliable development and aid partner, and now more than ever STP needs all the international specialized help it can get in order to set the country on track for social-economic growth. But although recognizing the relevance of education and health in any cooperation program, Portuguese authorities must understand that currently São Tomé needs capable and efficient institutions – state and civilian ones –, and that helping build and consolidate such structures will allow the country to redirect its own resources toward fixing society's daily problems. Portuguese aid to STP should consequently try to invest more of its resources in the 'state-building' chapter, seeking not only to enhance accountability, but also civilian and democratic control over it.

However, these cannot be imported or imposed from the outside. Their implementation depends on local and regional political dynamics. In that field, the above-mentioned historic analytical perspective signals the inherent difficulties of such a mission. Public institutions have been failing in STP, and Portugal must assist in their endogenous reinforcement. It is then crucial to pay careful attention to the country's specificities and to its turbulent social-political context when planning such programs, so as

<sup>2</sup> As of 2009, STP only ranks at 53<sup>rd</sup> in the list of Portuguese exports, while imports are close to 0%.

This support scheme becomes important when adding to the equation the country's geographic bearing, as well as the constant struggle in coming to terms with the oil-exporter status. This new approach in the bilateral relationship must inevitably be understood in the context of São Tomé e Príncipe's increasing importance on the global stage, and take into account the Portuguese government's wish to benefit from any existing preferential ties and further reinforce them.



to allow for a more effective participatory approach within existing democratic institutions, both bolstering them and achieving practical results on the ground, with concrete changes in São Tomeans' lives. This is the only way to deal with endemic poverty and prepare the economy for diversification – an essential part in avoiding the negative impact of a massive inflow of foreign currency derived from oil rents.

Despite every good intention, Portuguese authorities must be realistic regarding the means and opportunities available. Therefore, Portugal should try to coordinate its efforts, while at the same time participating in a cohesive and common strategy under the auspices of the CPLP range of action. The same line of thought could be applied to the important role the European Union (EU) already plays in the field, where it is currently contributing through the 10<sup>th</sup> European Development Fund (2008-2013) National Indicative Program with €17.1 million. Lisbon could seize the momentum associated with the nascent European External Action Service and try to play a leading planning role directly from Brussels, whenever the EU's policy for this particular region of Africa is brought into question.

Reanalyzing the existing bilateral military ties could also attain further stability. The vital geographic interest of the archipelago is undeniable, and if past lessons are to be taken into account, physical military presence on site could possibly act as an ideal buffer for any undesirable political unrest, as well as assert Portuguese interests in the country and in the region.

#### Final remarks

It is more than clear by now that any country with vast and potentially profitable natural resources cannot put them to good use if they are not able to provide a solid and coherent political framework, thus creating the necessary conditions for accountability and responsible management of the revenues from such resources. Bottom line –

this is a golden rule for any developing country, and STP is clearly no exception.

So far, the country's track record is not enough to predict or foresee a stable and enduring social-political scenario, especially if taken into account the current power balances that appear to be unable and/or unwilling to radically change the situation.

Although without any "magical formulas" to fix this status quo, and facing off Angola's attractive model and cooperation – politically stable, based on oil rents, geographically closer and enjoying crescent regional prestige –, Portugal is undoubtedly in a privileged position to assist São Tomé. Until recently, its development aid was con-

sidered overly technical, showing no significant results on the ground. But recent changes in the assistance core focus could provide the way forward, as Portugal realizes that change must happen within local institutions, coupled with sincere political will from São Tomé's leadership.

Therefore, Portugal needs to invest heavily in strong political support in order to foment São Tomé's own stability, while at the same time not imposing any externally forced approach. Rather, it is preferable to incite development through the country's own traditional institutions and mechanisms, with the political and financial backing of the

Portuguese government taking a more supportive role. Reinforcing bilateral military ties could make a clear statement of support, as a vote of confidence and as a possible token for stability.

Still, much depends on São Tomé's willingness to finally turn things around. The endemic political instability and the threatening dependence on Nigeria should be reasons enough to act, but the situation remains unaltered. Simply relying on future oil profits to boost the process is not a solution. Reforming the existing structures and ensuring widespread political commitment towards good practices, political responsibility and public goods delivery, seems like the only viable alternative for the unwavering development of São Tomé and Príncipe.

When it comes to Portugal, national oil company Galp Energia is a clear frontrunner to any potential deal with local Petrogás, thus potentially providing a stable and viable business consortium for the exploration of several oil blocks. This would exponentially increase trade flow between the two countries, still very insignificant, and open up a new window for cooperation, this time more economically centered.



## Timeline of Events

### Angola

#### 1 April (Luanda):

France's Total and Angola's Sonangol announced a new offshore oil find. Sonangol Sinoppec International and Portugal's Partex also hold stakes in the bloc.

#### 1 April (Cabinda):

Cabinda's governor, Mawete João Baptista, announced the construction of a deep-water port in the province to end the dependence of the region on Congo's Pointe-Noir port and to lower the enclave's cost of living.

#### 2 April (Luanda):

The board of trustees and the audit committee of the Eduardo dos Santos Foundation (FESA) were appointed. The President's Foundation invests heavily in Angola's social sector, having spent US\$210 million in its 13 years of existence, mainly in the health and education projects.

#### 4 April (Kundo Kubango):

President José Eduardo dos Santos presided over commemorations of the 8<sup>th</sup> anniversary of the end of the civil war between the MPLA and UNITA. Dos Santos hailed the country's life under "Peace, Democracy and Good Governance".

#### 5-8 April (Cabinda):

U.S. Ambassador to Angola Dan Mozena visited Cabinda, where he pointed out that his government spends around US\$1.7 million in health projects in the province every year. Mozena also stated that he wants, together with Chevron, to increase that amount.

#### 7 April (Luanda):

The CEO of Petrobrás, José Sergio Gabrielli de Azevedo, met President José Eduardo dos Santos and discussed his company's operations in Angola. Gabrielli de Azevedo announced that Petrobrás will expand its exploration activities in Angola.

#### 8 April (Luanda):

Sonangol and Italy's ENI announced a new oil

find in an offshore bloc also shared by Statoil and Petrobrás. Owing to recent discoveries, Angola's oil output will rise by 16% in 2011, reaching 2.2 million barrels a day against the current 1.9 million.

#### 12 April (Luanda):

Angola's government announced plans to invest heavily in the mining sector. Iron and copper explorations will draw around US\$6 billion in the coming few years, and efforts have been made to find international partners. Among others, Brazilian mining giant Vale and South Korea's Samsung will cooperate with Ferrangol – Angola's state mining company.

#### 13 April (Luanda):

Portuguese Ambassador to Angola Francisco Ribeiro Teles met Vice-President Fernando da Piedade Dias dos Santos, to transmit him a congratulatory message from Portuguese Prime Minister José Sócrates on his appointment. The ambassador also declared that relations between the two nations are excellent, but indicated that cooperation in the health and education sectors should be strengthened.

#### 18-24 April (Luanda):

Domingos Simões Pereira, Executive Secretary of the CPLP, visited Luanda to prepare the 8<sup>th</sup> Conference of Heads of State and Government. This meeting will be held in Luanda in July at the beginning of Angola's Presidency of the CPLP.

#### 21-22 April (Luanda):

Undersecretary of State William Burns met President José Eduardo dos Santos and Foreign Minister Assunção dos Anjos in a two-day visit framed by the U.S.-Angola Strategic Partnership Dialogue. Burns also announced the first regular commercial flight between the two countries.

#### 22 April (Washington):

The IMF announced that it expects Angola's gross domestic product to grow by 7.1% this year and by 8.3% in 2011.

#### 23 April (Luanda):

Japan's ambassador to Angola, Kazuhiko Koshikawa, presented the International Coop-

eration Agency's new team, which will mainly operate in areas related to economic development, peace building and human security. The ambassador expressed his desire to increase relations with Angola in various aspects, noting the quality infrastructure work developed by Japan in the past.

#### 26-27 April (Luanda):

Burundian President Pierre Nkurunziza was received by Parliament Speaker Paulo Kasoma and President José Eduardo dos Santos, who praised his counterpart's efforts for the political stabilization of his country.

#### 29 April (Luanda):

Signaling its third month in office, the Angolan government elected as priorities the health and education sectors, alongside with the consolidation and improvement of public finances management. The latter field of action is related to transparency and good governance measures, as established by the Angola-IMF agreement.

### Brazil

#### 5-9 April (Brasília):

The Foreign Minister of the Netherlands, Maxime Verhagen, visited Brazil, in order to boost economic and trade relations. Among others, Verhagen met with his counterpart, Celso Amorim, and Defense Minister Nelson Jobim, as well as with several local businessmen.

#### 7 April (Brasília):

Liberian President Ellen Johnson Sirleaf met with President Luiz Inácio "Lula" da Silva and Foreign Minister Celso Amorim. Economic and political cooperation agreements and the reform of international institutions were high on the agenda.

#### 8 April (Brasília):

Mali's President Amadou Toumani Touré held meetings with President Lula da Silva and Foreign Minister Celso Amorim, aiming to improve relations between the two countries.

**9 April (Brasília):**

Chilean President Sebastián Piñera met with his counterpart, Lula da Silva, Foreign Minister Celso Amorim and Senate President José Sarney. Aid towards Chilean reconstruction after the February earthquake and economic mutual investments were high on the agenda.

**9 April (Brasília):**

Ghana's Vice President John Dramani Mahama visited Brazil where he met with Vice President José Alencar Gomes da Silva to discuss agricultural and economic cooperation between the two countries.

**12-13 April (Washington):**

President Lula da Silva, accompanied by Foreign Minister Celso Amorim and Defense Minister Nelson Jobim, attended the Nuclear Safety Summit. Lula and Amorim took the opportunity to hold meetings with Italy's, Japan's and Turkey's Prime Ministers, Silvio Berlusconi, Yukio Hatoyama and Recep Erdogan respectively, as well as with U.S. President Barack Obama, Secretary of State Hillary Clinton and the U.K.'s Foreign Minister, David Milliband. Jobim also met with U.S. Secretary of Defense Richard Gates to sign a military cooperation agreement between the two countries.

**15 April (Brasília):**

President Lula da Silva hosted the 4<sup>th</sup> IBAS (India, Brazil and South Africa) Summit with his respective counterparts, South African Jacob Zuma and Indian Manmohan Singh, and special attendance by Palestinian Foreign Minister Riyad al-Maliki. The reform of international organizations and the conclusion of the WTO's Doha Round were the main issues discussed. Zuma and Singh also held private meetings with Lula da Silva and Foreign Minister Celso Amorim, concerning their respective bilateral relations. Due to the recent earthquake in China, the 2<sup>nd</sup> BRIC (Brazil, Russia, India and China) Summit was moved up, and includes the participation of Brazilian and Indian Presidents as well as President Hu Jintao and President Dmitri Medvedev. High on the agenda were calls for a new "world order", ties between respective development banks, multilateral trade, terrorism and the possibility of new sanctions against Iran.

**15 April (Brasília):**

Petrobrás signed a cooperation deal with Chi-

na's Sinopec that includes development of Brazilian oil resources.

**16-17 April (Brasília):**

Turkish Foreign Minister Ahmet Davutoglu met with his counterpart, Celso Amorim, and President Lula da Silva to address the ongoing international debate over a new set of sanctions on Iran's nuclear program.

**17 April (Brasília):**

WTO General-Director Pascal Lamy met with Foreign Minister Celso Amorim to defend the results of the Doha Round on international trade. The likely upcoming Brazilian trade retaliations against the U.S. were also addressed.

**21 April (Brasília):**

Australian Trade Minister Simon Crean met with Foreign Minister Celso Amorim to enhance economic ties between the two countries.

**22 April (Brasília):**

Lebanese President Michel Suleiman met with President Lula da Silva, Foreign Minister Celso Amorim, and Senate President José Sarney. Bilateral trade relations and the Middle East peace process were among the topics covered.

**24 April (Istanbul):**

Foreign Minister Celso Amorim met again with his counterpart, Ahmet Davutoglu, to discuss the international debate over sanctions in response to the Iranian nuclear program.

**25 April (Moscow):**

Foreign Minister Celso Amorim met with his counterpart, Sergey Lavrov. Iranian sanctions were high on the agenda.

**26-27 April (Tehran):**

Foreign Minister Celso Amorim met with Iran's President, Mahmoud Ahmadinejad, Foreign Minister Manouchehr Mottaki, Parliamentary Speaker Ali Larijani and the country's top nuclear negotiator, Saeed Jalili, to express his support of a nuclear fuel swap deal in order to avoid more UN sanctions on Iran.

**26 April (Brasília):**

President Lula da Silva hosted the inaugural Brazil-CARICOM Summit, with the attendance of 14 Heads of State and Government from Caribbean states. Development financing, South American integration, the conclusion of the Doha trade talks and calls for an

"international order more just" were high on the agenda.

**28 April (Brasília):**

Venezuelan President Hugo Chávez met with his counterpart, Lula da Silva, and signed 21 agreements over food, energy and trade issues between the two countries.

## Cape Verde

**2-6 (São Tomé):**

Prime Minister José Maria Neves visited São Tomé and Príncipe, accompanied by several cabinet members. Neves met with his counterpart, Rafael Branco, and President Fradique de Menezes, aiming to improve economic relations between the two countries.

**3 April (Dakar):**

President Pedro Pires, together with several African leaders, attended the inauguration ceremony of the Monument of African Renaissance in Senegal, included in the celebrations of the 50<sup>th</sup> anniversary of Senegalese independence.

**13 April (Brussels):**

Prime Minister José Maria Neves, accompanied by Foreign Minister José Brito, met with the EU Commission Chairman José Manuel Durão Barroso to assess the status of a special partnership between Cape Verde and the EU and progress in talks to conclude the Economic Partnership Agreements (EPAs) between the EU and West African countries.

**22 April (Washington):**

The IMF stated that it expects Cape Verde's gross domestic product to grow by 5% this year and by 4.5% in 2011.

**23-24 April (Praia):**

Canada's Governor General Michaëlle Jean met with President Pedro Pires and discussed ways to enhance political and economic ties between the two countries.

**25 April (Praia):**

U.S. Undersecretary for Political Affairs William Burns met with President Pedro Pires and Foreign Minister José Brito. Development



projects, drug trafficking and maritime security were the main topics covered.

### 26 April (Espargos):

Tourism Minister Fátima Fialho and Germany's Economy and Technology Minister, Rainer Bruederle, announced that Germany would invest €40 million in four wind farms on four islands in the Cape Verdean archipelago.

### 26-27 April (Praia):

Ambassador Stéphane Gompertz, Director of the Africa and Middle East Department of the French Foreign Ministry, visited Cape Verde and met with Foreign Minister José Brito. The EU-Cape Verde partnership, bilateral political ties and development cooperation were the main topics covered.

### 27-30 April (Praia):

Donald Kaberuka, president of the African Development Bank, met with Finance Minister Cristina Duarte and assessed the ongoing projects, worth €64,56 million, financed by the ADB.

### 28-30 April (Malabo):

Foreign Minister José Brito travelled to Equatorial Guinea in order to boost bilateral relations. Brito also further reinforced Cape Verde's approval to Guinea's admission into CPLP.

## Guinea-Bissau

### 1 April (Bissau):

Guinea-Bissau witnessed yet another coup attempt. The coup was led by the Armed Forces Deputy Chief of Staff, General António Indjai and by former Navy Chief of Staff, Rear Admiral Bubo Na Tchuto. The latter was released without confrontation by the former from the UNIOGBIS offices, where he took shelter since December, when he illegally re-entered the country. The military faction led by them managed to arrest Prime Minister Carlos Gomes Júnior – who was released after a few hours – and the Armed Forces Chief of Staff, Zamora Induta. The reasons for the coup attempt remain murky, but are thought to be related to dissatisfaction with the Security Sector Reform implementation. President Malam Bacai Sanhá was not targeted, and the coup subsided the same day, with Gomes Júnior resuming his

functions and General António Indjai, after leveling serious accusations against Zamora Induta, guaranteeing he would respect the government. Bissau's population demonstrated against this power takeover attempt. Induta remained under custody, as well as a group of around 40 military officials, including the counter-intelligence responsible.

### 1 April (Lisbon):

Foreign reactions to the coup attempt were swift. European capitals, including Lisbon, as well as the EU, condemned the coup attempt and supported Carlos Gomes Júnior's government. The Community of Portuguese Speaking Countries (CPLP), whose Presidency is held by Portugal, was more ambiguous, stating that it would follow the situation in Guinea-Bissau and support a return to constitutional normality. The African Union (AU) similarly urged the country to respect the democratically elected officials. ECOWAS condemned this attempt to destabilize the country, threatening those responsible for the coup with dire consequences.

### 3 April (Bissau):

Prime Minister Carlos Gomes Júnior resumed his normal duties. The Prime Minister met with President Sanhá, stating afterward that those responsible for the coup attempt would have to answer to the courts and that he would not abdicate his post, since he holds a strong democratic mandate.

### 3 April (Bissau):

Portuguese Ambassador to Guinea-Bissau António Freire headed a CPLP delegation in a meeting with President Malam Bacai Sanhá to assess the country's political situation.

### 4 April (Bissau):

A joint UN/ECOWAS/AU mission arrived in Bissau to evaluate the country's situation. Meetings were held with the President, the Prime Minister and the new military leadership, who received messages of support together with demands for the need to bring the plotters to justice.

### 6 April (Bissau):

Despite conflicting information disclosed in Washington, Senegalese Ambassador to Guinea-Bissau Mamadou Niang stated that IMF financial support to the country was not at risk and that the Fund would send a mission to Bissau shortly.

### 8 April (Beijing):

Portuguese Foreign Minister Luís Amado guaranteed that the EU's support programs to Guinea-Bissau would not be suspended, although the country's leaders must now be mindful of the increased need to maintain them.

### 8-9 April (Luanda):

President Malam Bacai Sanhá met with Angolan President José Eduardo dos Santos and Foreign Minister Assunção dos Anjos to gather diplomatic, political and material support to stabilize his country. In particular, Sanhá requested cooperation from the Angolan Armed Forces to train Guinea-Bissau's military within the framework of the Security Sector Reform.

### 9 April (Lisbon):

The CPLP released a final statement regarding the coup attempt, condemning the "serious events", while calling for a swift clarification of the situation of those under custody, notably Armed Forces Chief of Staff Zamora Induta. The Community highlighted the need for clear judiciary procedures guiding this process.

### 9 April (Washington):

The U.S. Department of the Treasury accused José Américo Bubo Na Tchuto, former Navy Chief of Staff, and Ibraima Papa Camarra, Air Force Chief of Staff, of involvement in a major cocaine shipment from Venezuela occurred in 2008.

### 9 April (Bissau):

Bubo Na Tchuto denied any links to narco-trafficking and denounced as false accusations that he held bank accounts in the United States. Gen. António Indjai explained that the 1 April events were a strictly military affair, a statement not contradicted by President Malam Bacai Sanhá.

### 9 April (Bissau):

In a declaration to the country, President Malam Bacai Sanhá promised a deep renovation of the Armed Forces' top echelons, while condemning the 1 April incident. A new Armed Forces Chief of Staff will be chosen by the government and appointed by the President.

### 11 April (Lisbon):

Information was disclosed suggesting that Portugal would replace Spain as the head of the EU Security Sector Reform mission, which will start a new phase in 1 June. Its current chief, General Juan Sebastian Verastégui, stated that



the mission would focus on reforming laws and institutions.

#### 12 April (Bissau):

The president of Guinea-Bissau's National Commission on Human Rights, Aida Fernandes, affirmed that only courts hold the authority to request an arrest, in a reference to Zamora Induta and other military officers' detention. Fernandes furthermore expressed concerns over their custody conditions.

#### 13 April (Bissau):

The EU ambassador, Franco Nulli, met Prime Minister Carlos Gomes Júnior and confirmed that the EU will continue to support Guinea-Bissau as he considered that the constitutional order has been restored.

#### 14 April (Bissau):

The U.N. Secretary-General's Representative to Guinea-Bissau, Joseph Mutaboba, explained in a press conference how Bubo Na Tchuto was taken by the military from his offices. Although no force was used, Mutaboba said, the military's actions are a clear and outrageous violation of international and constitutional law, since the U.N. premises have a diplomatic status.

#### 14 April (Bissau):

President Malam Bacai Sanhá met with Prime Minister Carlos Gomes Júnior and Gen. António Indjai to discuss the reorganization of the country's Armed Forces. The new leadership was not debated, while Zamora Induta's situation remained unchanged. The relegated Armed Forces Chief of Staff remained under custody, together with the military intelligence head, Colonel Samba Djaló.

#### 15-16 April (Luanda):

Guinea-Bissau's defense minister, Aristides Ocante da Silva, was received in Angola by his counterpart, Cândido Van-Dúnem. The Angolan official stated his country would support the total pacification and stabilization of Guinea-Bissau and that the two nations would sign a cooperation accord in the defense domain.

#### 16 April (Dakar):

The EU and the World Bank signed a US\$3,7 million joint-financed program aimed at improving small-scale farming and school canteens. One of the underlying goals of the grant is to increase rice production in the country by a thousand tonnes.

#### 19 April (Bissau):

A letter signed by Gen. António Indjai on 12 April, addressed to Guinea-Bissau's Attorney General, Amine Saad, was revealed. In it, Indjai accused Zamora Induta of treating military affairs as his private property which would lead the force towards conflict. According to Indjai, these facts supported Zamora's arrest.

#### 21 April (Bissau):

The United Nations High Commission for Refugees opened a national office in Bissau, which will report to the regional bureau in Dakar. This delegation will be funded by ECOWAS and the African Development Bank and will be dealing with approximately 8,187 refugees, the majority from Casamance.

#### 22 April (Washington):

The IMF informed that it expects Guinea-Bissau's gross domestic product to grow by 3.5% this year and by 4.3% in 2011.

#### 25 April (Sirte):

Libyan leader Muammar Gaddafi received Gen. António Indjai who transmitted a message from President Malam Bacai Sanhá which stated that the situation in Guinea-Bissau was "under control".

#### 30 April (Bissau):

Attorney General Amine Saad stated that the investigation on the assassinations of João Bernardo "Nino" Vieira and Gen. Tagmé Na Waié was near its final phase and evolving rapidly, although the requested international assistance never came.

#### 13 April (Maputo):

Norway's Secretary of State for International Development, Ingrid Fiskaa, announced funding of €10 million for the fishing sector in Mozambique, specifically to combat illegal fishing.

#### 20 April (Maputo):

According to Defense Minister Filipe Nyusi, China will donate agricultural equipment to the Mozambican army valued at US\$5.4 million, including trucks, tractors, tools and harvesters. As part of the same agreement, China will also provide aid to the Mozambican Defense Ministry of US\$1.4 million to be applied in training and logistics.

#### 21 April (Maputo):

Germany granted Mozambique financial aid of €115.5 million for the 2009/2011 period to be applied to education, development and budgetary aid, under the terms of two agreements signed in Maputo.

#### 22 April (Lisbon):

Portuguese bank Banco Espírito Santo (BES) is reportedly finalizing the acquisition of a stake of almost 25% in Mozambique's Moza Banco

#### 22 April (Washington):

The IMF announced that it expects Mozambique's gross domestic product to grow by 6.5% this year and by 7.5% in 2011.

#### 23 April (Maputo):

The speaker of the Mozambican parliament, Verónica Macamo, announced that the Mozambican parliamentarians who are members of the Pan-African Parliament (PAP) will propose that the Mozambican government sends troops to join the African Union's peace keeping mission in Somalia (AMISOM).

#### 28 April (Maputo):

Minister for Agriculture Soares Nhaca and Japanese Ambassador to Mozambique, Susumu Segawa, announced a \$7.4 million program to preserve Mozambican forests.

#### 29-30 April (Lisbon):

On the wake of the recent visit of Portugal's Prime Minister to Mozambique, President Armando Guebuza travelled to Portugal, where he met with his counterpart, Aníbal Cavaco Silva and Prime Minister José Sócrates. Bilateral economic relations resulting in the signing

## Mozambique

#### 4 April (Dakar):

President Armando Guebuza attended the celebrations of the 50<sup>th</sup> anniversary of Senegalese independence, where he took the opportunity to state that he had no intention of running for a third term of office when his current term expires in 2014.

#### 5 April (Maputo):

The Parliament approved the government's programme for the five-year period 2010-2014.



of ten agreements in different areas, high-level political contacts and meetings with the Mozambican community in Portugal were high on the agenda.

## Portugal

### 5-6 April (Seoul):

Foreign Minister Luís Amado traveled to South Korea, where he met with his local counterpart Yu Myung-hwan, aiming to improve bilateral relations. Amado also met with the Chairman of the Foreign Affairs, Trade and Unification Committee of the National Assembly, Park Jin, and Prime Minister Chung Un-chan.

### 7-8 April (Ulan Bator):

Foreign Minister Luís Amado traveled to Mongolia, where he met with his local counterpart Gombojav Zandanshatar and President Tsakhiaigiin Elbegdorj, and signed a memorandum of understanding on consultations between the two Foreign Ministries and an agreement on Cultural Cooperation.

### 8-9 April (Beijing):

Foreign Minister Luis Amado traveled to China, where he met with his counterpart, Yang Jiechi, with Minister of Commerce Chen Deming and with First Vice Premier Li Keqiang. Chinese support for Portuguese as a UN working language and bilateral trade were on the agenda.

### 9 April (Lisbon):

Portugal's National Defense Council approved plans to send a sea-patrol aircraft and 42 personnel to participate in the EU's piracy-combat mission in the Indian Ocean against Somali pirates.

### 12 April (Brussels):

Secretary of State for European Affairs Pedro Lourtie traveled to Brussels to meet with EU's Budget and Financial Programming Commissioner, Janusz Lewandowski, to discuss the next Multiannual Financial Framework after 2013.

### 13-14 April (Caxito):

Secretary of State for Foreign Affairs and Cooperation João Gomes Cravinho visited the northern Bengo province of Angola, where he assessed several cooperation programs be-

tween Portugal and Angola. Cravinho also took the opportunity to meet with Angolan Foreign Minister Assunção dos Anjos, as well as with other governmental dignitaries.

### 14 April (Brussels):

The European Union, through Commissioner Olli Rehn, warned Portugal that it might need extra budget cuts, while at the same time approving the Portuguese stability program for the years 2011-2013.

### 14-16 April (Prague):

Portuguese President Aníbal Cavaco Silva held meetings with his counterpart, Vaclav Klaus, Prime Minister Jan Fisher, Senate President Premysl Sobotka, Speaker of the Chamber of Deputies, Miloslav Vlcek, and others. Cavaco Silva also attended a meeting of Portuguese and Czech businessmen, aiming to boost economic relations between the countries.

### 15-16 April (Tunes):

Foreign Minister Luís Amado attended the 7<sup>th</sup> Western Mediterranean Foreign Affairs Ministers Meeting (5+5) alongside his counterparts from Tunisia, Spain, Morocco, France, Algeria, Malta, Italy, Libya and Mauritania. High on the agenda were such topics as migration, food security, climate change and the European Neighborhood Policy.

### 16-17 April (Lisbon):

Due to the cloud of volcanic ash from Iceland, German Chancellor Angela Merkel was forced to redirect her flight returning from the U.S. to Portugal, where she had a brief meeting with Portuguese Prime Minister José Sócrates.

### 16 April (Madrid):

Luxembourg Prime Minister and head of the group of Euro Finance Ministers Jean-Claude Juncker declared that Portugal was on the right track to address a sharp rise in its public deficit.

### 22-23 April (Tallinn):

Foreign Minister Luís Amado attended the NATO Foreign Ministers Informal Meeting. The Strategic Defense Concept and the situation in Afghanistan were the main topics covered.

### 25-26 April (Luxembourg):

Foreign Minister Luís Amado and Defense Min-

ister, Augusto Santos Silva attended the EU's General Affairs and Foreign Affairs Council.

### 29 April (Lisbon):

Secretary of State for European Affairs Pedro Lourtie received his Polish counterpart, Mikolaj Dowgielewicz. Issues such as the European External Action Service, the Europe 2020 Strategy cohesion policies and climate changes were addressed.

## São Tomé and Príncipe

### 14 April (Houston):

Prime Minister Rafael Branco met with U.S. oil sector officials to discuss exploration of oil wells in São Tomé. Accompanied by high-ranking officials from the National Oil Agency (ANP), Branco met with representatives of Exxon Mobil, Shell Oil and Chevron.

### 14 April (São Tomé):

The President of the National Assembly, Francisco Silva, passed away due to a chronic illness.

### 16 April (Malabo):

President Fradique de Menezes attended the opening of the Economic Community of Central African States' new regional Parliament, alongside six other Central African heads of state.

### 20 April (New York):

The national Oil Agency's director, Luís Prazeres, revealed that the U.S. oil company Chevron Texaco and India's Oil and Natural Gas Company (ONGC) are expected to take part in the auction of oil blocks in the island's exclusive economic zone.

### 22 April (Washington):

The IMF informed that it expects São Tomé and Príncipe's gross domestic product to grow by 4.5% this year and by 5.5% in 2011.

### 23 April (São Tomé):

Prime-Minister Rafael Branco declared the country's authorities were being sidelined in the process of oil exploration in the Joint Development Zone with Nigeria.



# Timor Leste

## 4 April (Jakarta):

Indonesian Defense Minister Purnomo Yus-giantoro, while travelling to the border region with Timor Leste, said that Indonesia objected to its neighbor government's mapping of boundaries at three Indonesia-Timor Leste border points.

## 6 April (Washington):

According to the World Bank's Asia-Pacific economic update, Timor Leste's economy remains "animated" due to public spending and international aid, with oil fund cash serving as a "cushion" for economic shocks.

## 7 April (Díli):

Prime Minister Xanana Gusmão launched a summary of his country's new 20 year strategic development plan, "From Conflict to Prosperity", at the eighth annual Timor-Leste Development Partners' Meeting. Amongst other objectives, Gusmão pledged to invest more of the island's oil wealth to boost economic growth and living standards.

## 9 April (Boao):

While attending the annual Boao Forum for Asia (BFA) – a pan-Asian platform for dialogue on key issues affecting Asia and the world – Deputy Prime Minister of Timor-Leste José

Luís Guterres met with Chinese Vice President Xi Jinping, in order to boost bilateral relations.

## 12 April (Díli):

Spokesman for the Timor Leste government and Secretary of State for the Council of Ministers Ágio Pereira re-stated that the country will not allow exploration of the "Greater Sunrise" oil and natural gas field if Australian company Woodside continues with its plan to transport the gas to Darwin or to use a floating rig.

## 14 April (Díli):

The government has requested that the participation of the Royal Malaysia Police in the United Nations peacekeeping mission in Timor Leste, which ends in 2012, be extended for another year.

## 16 April (Baucau):

The United Nations handed over formal control of policing operations in the district of Baucau to national police as part of an ongoing strategy to lessen the UN's direct control over the country's security operations.

## 21-23 April (Phnom Penh):

President José Ramos Horta met with Cambodian Prime Minister Hun Sen in order to boost bilateral economic relations.

## 23 April (Díli):

While attending the International Conference on Combating Corruption, Timor Leste's For-

eign Minister Zacarias da Costa announced that agreements were being prepared with Australia, Indonesia, Singapore and Hong Kong to combat money laundering and provide mutual legal assistance.

## 26-28 April (Hanoi):

President José Ramos Horta visited Vietnam at the invitation of President Nguyen Minh Triet. Foreign Minister Zacarias da Costa accompanied Horta. Da Costa met with Deputy Prime Minister and Foreign Minister Pham Gia Khiem, and both agreed to organize the first meeting of a joint committee with a focus on agricultural cooperation, seafood and oil and gas. Other economic and trade possibilities between the two countries were also discussed, as well as future support to Timor Leste's candidacy to ASEAN.

## 27 April (Díli):

The government gave green light to the exploration of the Kitan oil field, located in the Australia-Timor Leste joint petroleum development area and to be led by a consortium of Italian ENI and Japanese Inpex.

## 28-30 April (Bangkok):

President José Ramos Horta cut his official visit to Vietnam short in order to travel to Thailand, answering pleas to mediate the ongoing social and political crisis in the country. Horta held a private meeting with contested Prime Minister Abhisit Vejjajiva, but tangible results were not achieved.

## Reading List

Paulo Gorjão, "Guinea-Bissau: The Inescapable Feeling of Déjà Vu" (IPRIS Policy Brief No. 2, April 2010).

EDITOR | Paulo Gorjão

ASSISTANT EDITOR | Pedro Seabra

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Portuguese Institute of International Relations and Security (IPRIS)  
Rua Vitorino Nemésio, 5 - 1750-306 Lisboa  
PORTUGAL

<http://www.ipris.org>  
email: [ipris@ipris.org](mailto:ipris@ipris.org)

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