

COMBATING VIOLENT EXTREMISM IN CABO DELGADO

Is France using “development aid” to finance the intervention of Rwandan troops in Mozambique?

- Last May, Emmanuel Macron declared during a visit to Kigali that France had decided to take its development aid in Rwanda to unprecedented levels. Following this, the French Statesman announced an additional €370 million to finance various development projects in Rwanda. The amount will be managed by the French Development Agency.



● During that visit, Bpifrance, the French public investment bank, signed three agreements with the Rwandan Sovereign Wealth Fund - AGDF Corporate Trust. In light of these understandings, Bpifrance will now advise the Rwanda Sovereign Wealth Fund to ensure its development and strategic positioning; and Rwandan technology companies will now be able to contact French and European investors and companies through the EuroQuity platform, a service from the French investment bank that aims to support innovative companies in their search for financing and business partnerships.

● Last May, Emmanuel Macron declared during a visit to Kigali that France had decided to take its development aid in Rwanda to unprecedented levels. Following this, the French Statesman announced an additional €370 million to finance various development projects in Rwanda. The amount will be managed by the French Development Agency.

● Rwanda's Budget for 2021/22 is set at USD 3.7 billion, an increase of USD 330 million over fiscal year 2020/21. The French Development Agency is part of the three main sources of external financing for the Rwanda Budget. - In 2022, the United Nations will pay Rwanda USD 171 million in reimbursements for the costs of peacekeeping operations in various countries. Since the intervention of Rwandan troops in Cabo Delgado is not under the auspices of the United Nations, the question is: who is financing Rwanda's operations in Mozambique?

When Mozambicans were waiting for the arrival of the SADC Mission Force to support the Defense and Security Forces (FDS) in the fight against violent extremism in Cabo Delgado, the Government of Rwanda announced on 9 July that, at the request of the Government of Mozambique, it was deploying to the country a military contingent composed of 1.000 men, including 880 military and 120 police.

In the statement¹, Kigali stressed that the joint force would work closely with the FDS and the SADC Force, conducting combat and security operations, as well as stabilization and security sector reform. It also argued that the deployment of its troops was based on the good bilateral relations between the Republic of Rwanda and the Republic of Mozambique, following the signing of several agreements between the two states in 2018².

At the end of last April, almost a month after the brutal attack on the town of Palma which forced Total Energies to halt work on the Mozambique LNG project³, the Mozambican President travelled to Kigali, capital of Rwanda, where he held consultations with the Rwandan President Paul Kagame. "We had

a discussion about Rwanda's experience in combating terrorism and violent extremism," revealed Filipe Nyusi, adding that "Rwanda has an important role in Central Africa, along with the United Nations forces. So we wanted to understand how the experience has been done"⁴.

Meanwhile, the United Nations has ruled out the possibility of funding a military intervention in Mozambique, with Rwanda as a major player with its experienced troops. Hanna Tetteh, special representative of UN Secretary General António Guterres to the African Union (AU), stated that "it is important to recognize that in some places the situation is not yet mature enough for peace operations" and that "a purely military response may not be the most effective response"⁵. Hanna Tetteh argued that the insurgency situation in Mozambique was not advanced enough to justify international military intervention or peace operations⁶.

With a military that is highly prepared to deal with insurgency, Rwanda is one of the leading troop-contributing states to United Nations peacekeeping missions. Prior to the deployment of 1.000 troops to Mozambique,

there were about 6.550 Rwandan troops serving with the United Nations, mostly in hot spots such as South Sudan, the Darfur region (Sudan), and the Central African Republic⁷. For their part, the Rwandan National Police have participated in peace and security restoration missions in Côte d'Ivoire, Mali, Liberia, South Sudan, and Haiti, and have assignments at the United Nations headquarters in New York⁸.

The United Nations funds Rwanda's participation in various peacekeeping missions and the government in Kigali uses some of the funds to modernize its armed forces and police. For example, by 2022, Rwanda is expected to receive the equivalent of USD 171 million from the United Nations in reimbursements for the costs of peacekeeping operations⁹.

However, the source of funding for the intervention of Rwandan troops in Cabo Delgado is not yet known. During the celebrations of 25 September, Armed Forces Day, in Pemba (Cabo Delgado), Paul Kagame and Filipe Nyusi reiterated that the presence of Rwandan troops is in the context of good bilateral relations between the two states, funded by

¹ <https://www.gov.rw/blog-detail/rwanda-deploys-joint-force-to-mozambique?fbclid=IwAR3ipVUI2L7XwYXpjhG-YJIHOJ6do9GmMTnSslyQBY51UvLMN2m6mp1AO4>

² <https://www.gov.rw/blog-detail/rwanda-deploys-joint-force-to-mozambique?fbclid=IwAR3ipVUI2L7XwYXpjhG-YJIHOJ6do9GmMTnSslyQBY51UvLMN2m6mp1AO4>

³ <https://cddmoz.org/wp-content/uploads/2021/04/Ataque-a-vila-de-Palma-agrava-situacao-de-crise-humanitaria-em-Cabo-Delgado.pdf>

⁴ <https://www.minec.gov.mz/index.php/imprensa/destaques/545-presidente-nyusi-em-consultas-com-o-presidente-kagame>

⁵ https://www.rtp.pt/noticias/mundo/mocambique-representante-da-onu-declara-que-operacao-internacional-de-paz-ainda-nao-se-justifica_n1312285

⁶ https://www.rtp.pt/noticias/mundo/mocambique-representante-da-onu-declara-que-operacao-internacional-de-paz-ainda-nao-se-justifica_n1312285

⁷ <https://www.opais.co.mz/as-tropas-de-ruanda-transcendem-blocos-para-unir-a-africa/>

⁸ <https://www.opais.co.mz/as-tropas-de-ruanda-transcendem-blocos-para-unir-a-africa/>

⁹ <https://www.newtimes.co.rw/news/how-20212022-budget-will-be-financed>

the Rwandan government and does not entail future costs for Mozambique¹⁰. Nevertheless, the truth is that Rwanda is not investing millions of dollars in the military intervention in Cabo Delgado without a cost-benefit perspective, even if it is in the medium or long term.

Last October, Paul Kagame stated that the number of Rwandan troops fighting in Cabo Delgado had increased to two thousand men¹¹, practically double the first contingent announced in July. Now, the question that arises is how a low-income country would be financing a large-scale military operation (with two thousand men) with its own funds. Would Rwanda not be receiving indirect funding to support the costs of its intervention in Cabo Delgado? One hypothesis that has been widely put forward is that Rwanda would be receiving support from the French oil company TotalEnergies or even from the Government of France to finance the operations of its troops in Cabo Delgado. TotalEnergies has already informed that it is not providing support to foreign forces, but admitted that the Mozambique LNG project, of which it is the operator, provides logistical support to the FDS responsible for security in Afungi, the implementation zone of the project¹².

For its part, the Government of Paris neither confirmed nor denied the allegations about financial support to Rwanda, merely stating that it was following with great concern the situation in Cabo Delgado and that it stood by Mozambique in the fight against violent extremism, encouraging countries in the region and Mozambique's partners to show their support¹³.

A month after Nyusi's visit to Kigali, the



French president was also in the capital of Rwanda, where he met with his counterpart Paul Kagame. Speaking to the press, Emmanuel Macron said "on the regional scene, Rwanda is an actor who matters and who is at the heart of this capacity that France may

have to help bring regional responses"¹⁴. The French Statesman mentioned Rwanda's interventions in the Democratic Republic of Congo, then argued that "this is what must be done now in the Central African Republic or in Mozambique, as we have discussed"¹⁵.

Macron says France has decided to take its development aid in Rwanda to unprecedented levels

France may be indirectly financing Rwanda's intervention in Cabo Delgado, through disbursements made by the French Development Agency supposedly for various development projects. During his visit to Kigali last 27 May, Emmanuel Macron highlighted the "re-engagement of the French Development Agency", initiated at his request in 2019, as "another tangible sign" of the relaunch of the bilateral relationship between France and

Rwanda. According to the French Statesman, the re-engagement "is already visible with financial support of more than €130 million in less than two years in projects ranging from rural electrification to training"¹⁶.

Officially, Rwanda has applied part of the €130 million funded by France to fight the Covid-19 pandemic and to combat vulnerabilities, global warming and gender inequalities. During the visit, Macron also announced

that France had decided to take its development aid in Rwanda to unprecedented levels. "€500 million will be committed over the period 2019-2023 around the main priorities of our dialogue with Rwanda, in particular health, digital technology, the Francophone," said the French President¹⁷.

The additional €370 million announced on 27 May by Emmanuel Macron will be managed by the French Development Agency

¹⁰ <https://cddmoz.org/governo-deve-informar-os-mocambicanos-sobre-acordos-assinados-com-regime-de-kigali-durante-a-visita-de-paul-kagame-2/>

¹¹ <https://www.africa-press.net/mozambique/video/nearly-2000-rwandan-troops-fighting-insurgency-in-mozambique>

¹² On January 18, 2021, TotalEnergies CEO Patrick Pouyanné met with President Filipe Nyusi and former Ministers of National Defense (Jaime Neto) and Interior (Amade Miquidade) to discuss the "joint action plan to strengthen the security of the area".

¹³ <https://www.voaportugues.com/a/macron-diz-que-a-fran%C3%A7a-est%C3%A1-dispon%C3%ADvel-a-ajudar-militarmente-mo%C3%A7ambique-no-quadro-da-sadc/5908249.html>

¹⁴ <https://www.elysee.fr/emmanuel-macron/2021/05/27/conference-de-presse-du-president-emmanuel-macron-et-du-president-du-rwanda-paul-kagame>

¹⁵ <https://www.elysee.fr/emmanuel-macron/2021/05/27/conference-de-presse-du-president-emmanuel-macron-et-du-president-du-rwanda-paul-kagame>

¹⁶ <https://www.jeuneafrique.com/1179992/economie/macron-au-rwanda-la-france-va-debloquer-plus-de-350-millions-deuros/>

¹⁷ <https://www.jeuneafrique.com/1179992/economie/macron-au-rwanda-la-france-va-debloquer-plus-de-350-millions-deuros/>

and applied in various sectors such as energy, health, youth, francophone, water, transport, financial services, milk production, as well as technology and innovation. The French Treasury supported the “Kigali, sustainable city” programme. A donation of €5.8 million is intended to support vocational training and the teaching of French. In October 2020, Bpifrance, the French public investment bank, and Rwanda Fi-

nance Limited, its Rwandan partner, signed an agreement to improve economic and financial cooperation between the two countries¹⁸.

Also during Macron’s visit to Kigali, Bifrance signed three memorandums of understanding with the Rwandan Sovereign Wealth Fund - AGDF Corporate Trust. In light of these agreements of 27 May 2021, Rwandan technology companies will have the opportunity

to contact French and European investors and companies through the EuroQuity platform, a Bpifrance service that aims to support innovative companies in finding financing and business partnerships; the French public bank will advise the Rwanda Sovereign Fund to ensure its development and strategic positioning, as well as develop joint actions in direct and indirect investment¹⁹.

The French Development Agency is one of the three main sources of external financing for the Rwanda Budget

Another interesting fact is the growth seen in the Rwanda Budget. For the financial year 2021/22, Rwanda foresees expenditure in the range of 3.8 trillion Rwandan francs (Rwf), an increase of Rwf 342 billion compared to the 2020/2021 budget²⁰. The Rwf 3.8 trillion foreseen for the 2021/22 budget is equivalent to about USD 3.7 billion, with the Rwf 342 billion increase corresponding to USD 330 million.

As with many African countries, including Mozambique, Rwanda’s budget is funded from three sources, namely domestic revenues, loans and grants. For the 2021/22 fiscal year, Kigali plans to finance 67% of its bud-

get through domestic revenues, equivalent to Rwf 2.5 trillion (USD 2.4 billion). A total of about Rwf 1.26 trillion (USD 1.2 billion) will be financed from external sources: Rwf 612.2 billion (USD 591.8 million) from grants; and Rwf 651.5 billion (USD 629.8 million) from loans²¹.

The French Development Agency is part of the three main sources of external financing (loans) to Rwanda’s budget for fiscal year 2021/22, similarly to the World Bank and the Japan International Cooperation Agency (JICA)²².

Development aid may be one of the windows France has found to finance the intervention of Rwandan troops in Mozambique.

France figures as the main world power interested in the rapid re-establishment of security in Cabo Delgado to allow the resumption of the Mozambique LNG gas project, operated by its giant TotalEnergies.

Not surprisingly, most of Rwanda’s military personnel are based in Afungi, the future natural gas liquefaction centre of the Rovuma Basin. In fact, there are reports indicating that, in the future, Rwandan troops will be responsible for the security of the Afungi camps, where the French TotalEnergies suspended the construction works of the LNG complex following the attacks on the village of Palma last March.

18 <https://www.jeuneafrique.com/1179992/economie/macron-au-rwanda-la-france-va-debloquer-plus-de-350-millions-deuros/>

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Director: Prof. Adriano Nuvunga
Editor: Emídio Beula
Author: Emídio Beúla e Dimas Sinoa
Team: Emídio Beula, Julião Matsinhe, Dimas Sinoa, Américo Maluana
Layout: CDD

Address:
 Rua de Dar-Es-Salaam Nº 279, Bairro da Sommerschild, Cidade de Maputo.
 Telefone: +258 21 085 797

 CDD_moz
E-mail: info@cddmoz.org
Website: <http://www.cddmoz.org>

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