

Analysis selection for JCC

December 2021

Ethiopia's domestic conflict

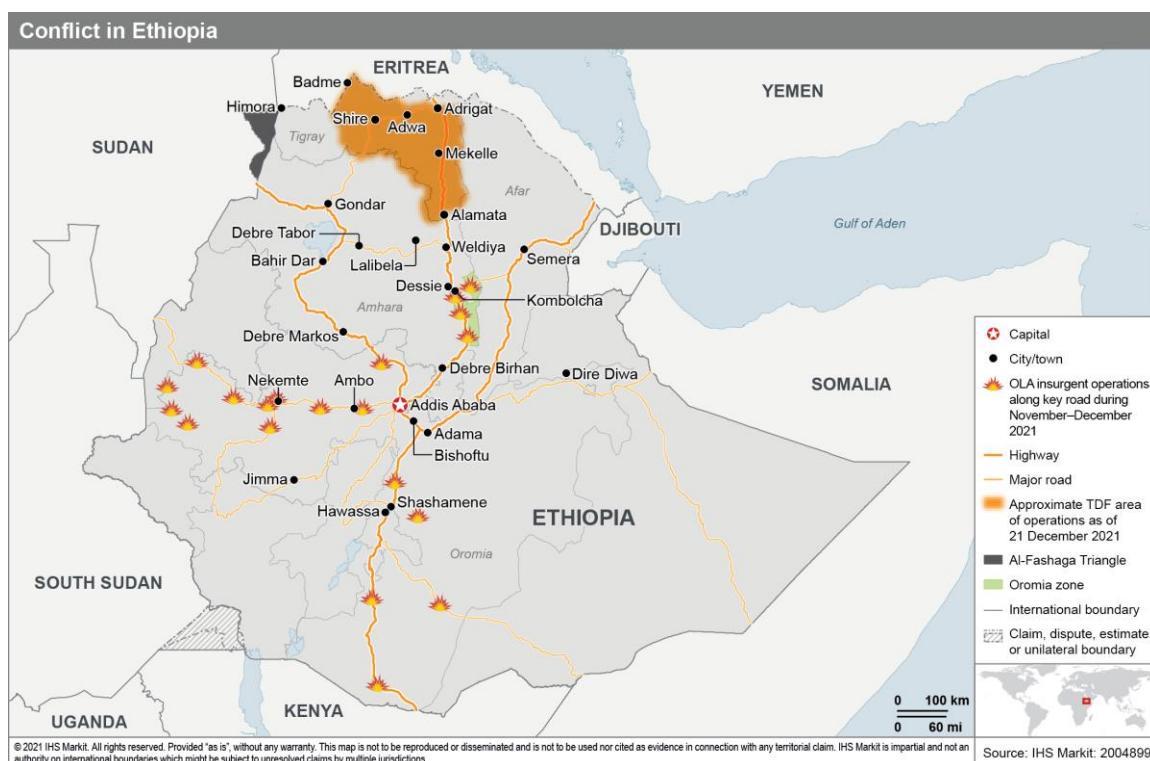
31 Dec 2021 - Country Risk | Strategic Report

Following an Ethiopian government ground counter-offensive, backed by air power, the Tigray Defence Forces (TDF) armed group on 19 December announced its withdrawal back into its home region of Tigray, and on 23 December the Ethiopian government said that its fighters would halt offensive operations and not advance farther into Tigray. When this announcement was made, pro-government forces already controlled the town of Alamata and areas to the east and south of this in Southern Tigray zone (captured during December 2021), and Western Tigray zone, which pro-government forces have held since November 2020.

- **While the TDF's withdrawals have increased the likelihood of a mutually agreed ceasefire, the most likely outcome remains a protracted but inconclusive conflict in and around Tigray, with Prime Minister Abiy Ahmed remaining in power and the TDF retaining some territory and its remaining heavy weaponry.** Significant and more targeted use of military uncrewed aerial vehicle (UAV) strikes, probably acquired from China, Turkey, and Iran, contributed significantly to recent pro-government gains, as did the insurgents' concerns that the pro-government counter-offensive would cut off and encircle TDF troops they had deployed south towards the capital. IHS Markit assesses that the TDF has suffered significant losses of tanks and armoured personnel carriers, which it will only be able to replace by capturing new vehicles from pro-government forces. The TDF's withdrawal from Amhara region was driven primarily by pressure from advancing pro-government forces, indicating that future fighting is likely to be confined largely to Tigray region and adjoining areas. The recent advances by pro-government forces have made a successful coup attempt against Prime Minister Ahmed unlikely, particularly following his recent travel to both the Afar and Amhara fronts to take personal command of pro-government forces there, which is likely to have enhanced his standing and eased frustrations with the previously negative course of the conflict for the government. The TDF's withdrawal meets the government's minimum preconditions for commencing talks, therefore increasing the likelihood of a ceasefire being initially accepted by both sides. A 20 December statement by GoT-TDF spokesperson Getachew Reda implied that they expected the TDF's withdrawal to Tigray to result in increased international pressure on the Ethiopian and Eritrean governments to end the conflict. There are multiple ongoing efforts to broker a ceasefire and peace talks, including those backed by the US, Kenya, and the African Union.
- **Any ceasefire reached is likely to break down as both sides pursue any opportunities to regain limited military advantages in the conflict, with the aim of forcing acceptance of a political settlement on the other side.** With Ahmed remaining in office and the TDF still holding territory and heavy weaponry, both sides are likely to believe that their opponents still pose a threat and are not pursuing negotiations in good faith. Consequently, both pro-government forces and TDF forces are likely to seize quickly perceived opportunities to launch new attacks expected to inflict reversals on their opponents, or, in the case of the TDF, enable them to capture significant new supplies. These would likely involve recurring outbreaks of fighting, including the

use of tanks, artillery, and Grad-style rockets by both sides and air strikes, including UAVs, by the Ethiopian military. In addition, there would likely be a continuing risk of either side occasionally breaking through the other's positions, rapidly shifting the geographical scope of the conflict. The most likely targets for new TDF offensives would be Weldiya (North Wello zone, Amhara region) on the A2 highway, and Western Tigray zone, the threat of TDF offensive operations within range of the capital would remain very unlikely. Ad-hoc expropriation of vehicles, fuel, supplies, heavy equipment, and properties for use by belligerents in the conflict would remain likely, particularly in government-controlled parts of Amhara region and TDF-controlled territory more widely.

- The TDF-allied Oromo Liberation Army (OLA) will likely continue its anti-government armed efforts, with controlling larger towns and cities in Oromia an aspirational objective.** It is particularly likely to attempt to take control of larger towns and cities, especially along the A4 highway west of Addis Ababa, although Oromia's regional security forces are likely to mitigate against this eventuality. In the unlikely event of a sharp rise in anti-government and pro-OLA sentiment in Oromia region, there would be an increased likelihood of the Oromia regional forces opting to retreat to barracks instead of confronting OLA forces, providing the insurgents with the opportunity to move into large urban areas. Such sentiments would be indicated by widespread anti-government protests (e.g. against alleged forced recruitment into the military), Oromo ministers and officials defecting from Ahmed's administration and Prosperity Party (PP), and mass defections of Oromia security forces members (especially new recruits) to the OLA. The OLA is also likely to attempt to expand its operations to launch small-arms ambushes along the stretch of the A2 highway that passes through Oromia region between Addis Ababa and Amhara region. It is probably similarly attempting to gain leverage for use in negotiations with Ahmed's administration.



Indicators of changing risk environment

Increasing risk

- The TDF advancing again to capture Weldiya would increase the risk of further offensives west along the B22 road in Amhara region, and into Afar region towards the A1 highway, which would disrupt travel and cargo along this key trade corridor and increase the likelihood of fuel shortages in Addis Ababa.
- Pro-government forces advancing along the A2 highway north of Maychew would indicate likely intent to attempt the recapture of all of Tigray, resulting in widespread heavy fighting, including in Tigray's major settlements.
- The Eritrean military carries out preparations and troop movements aimed at renewed anti-TDF operations, most probably advancing east from Western Tigray zone or west from Afar Zone 2, likely resulting in widespread heavy fighting across currently TDF-controlled territory.
- Protests in government-controlled areas of Oromia region against alleged forced recruitment of youths into the security forces would indicate a rising probability of local populations co-operating with the OLA and Oromia security forces personnel defecting to the group, likely widening the OLA's areas of operation and increasing its fighting capacity.
- If the US government officially alleges that the Ethiopian government is complicit in genocide, further trade and financial sanctions are likely to be enacted in the three-month outlook.

Decreasing risk

- The Eritrean military renewing anti-TDF operations would likely push the TDF to resort to a protracted rural insurgency, rather than controlling main settlements.
- Large-scale prisoner releases are made by both sides – most likely of recently detained ethnic Tigrayan civilians by the Ethiopian government, or wounded pro-government soldiers by the TDF – would indicate increased willingness to enter into a ceasefire and subsequent negotiations.
- The Ethiopian parliament removing its designation of the Tigray People's Liberation Front (TPLF) party as a militant organisation would indicate an increasing likelihood of negotiations between the TDF-aligned Government of Tigray (GoT) and the Ethiopian government, as the TPLF makes up most of the GoT.
- Prime Minister Ahmed agreeing to GoT negotiation preconditions, particularly regarding humanitarian access to Tigray, would increase the likelihood of a ceasefire.
- The United States and the European Union enacting sanctions on senior TDF commanders would increase the likelihood of the GoT agreeing to negotiate with Ahmed, if the latter were to offer to meet their other negotiation preconditions.
- The GoT agreeing to recognise the legitimacy of Prime Minister Ahmed's government, at the least as a valid negotiating partner, would increase the likelihood of a ceasefire being agreed.
- The US delaying the implementation of the exclusion of Ethiopia from the African Growth and Opportunity Act (AGOA), due to take effect on 1 January, would indicate a decreasing likelihood of further escalation of US sanctions against the Ethiopian government.

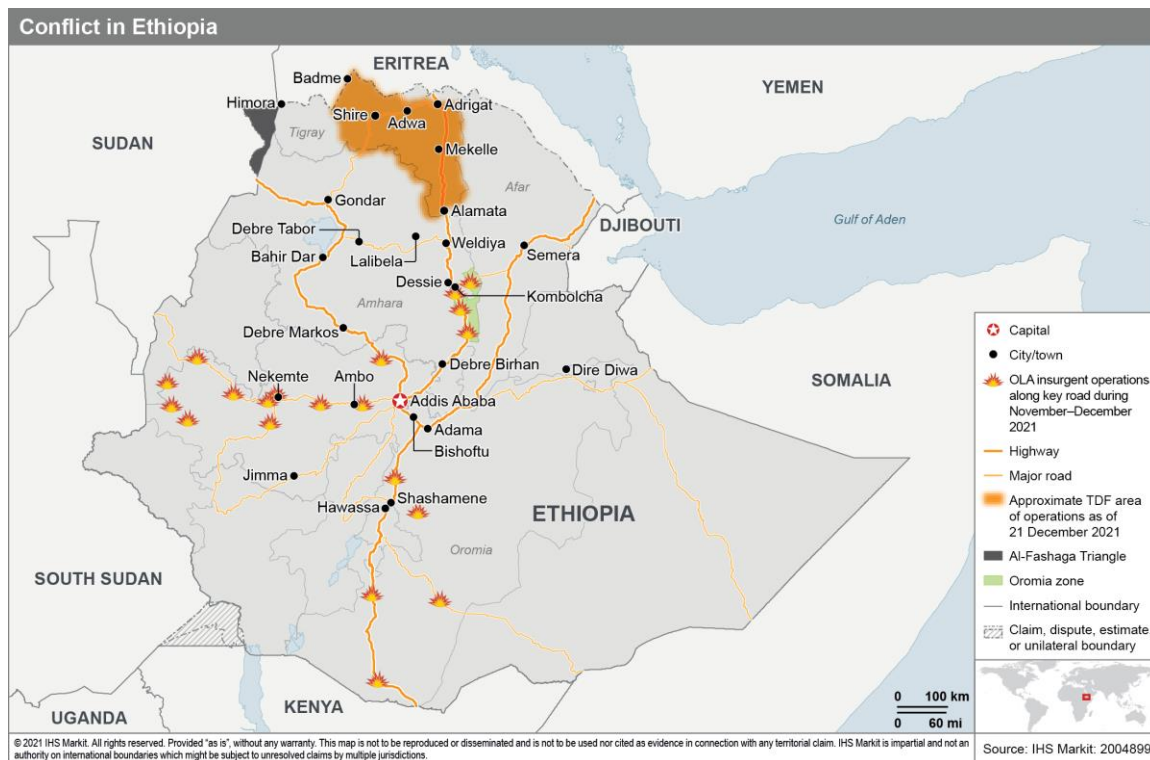
Insurgent retreat into Tigray increases likelihood of temporary ceasefire in Ethiopia, but fighting likely to recur subsequently

23 Dec 2021 - Country Risk | Headline Analysis

The Ethiopian government announced on 23 December the recapture of the town of Alamata in Southern Tigray zone, Tigray region, by pro-government forces from the Tigray Defence Forces (TDF) armed group. State-affiliated media stated on 22 December that pro-government forces were continuing to advance into Tigray region in the direction of the small town of Korem, north of Alamata along the A2 highway. This

followed a letter on 19 December from the TDF-affiliated Government of Tigray (GoT) addressed to United Nations Secretary-General António Guterres stating that the TDF had withdrawn from Amhara and Afar regions, in line with international and Ethiopian government demands, describing this action as a “decisive opening for peace”.

- **The TDF’s withdrawal from Amhara region probably has been driven primarily by pressure from advancing pro-government forces, indicating that future fighting is likely to be confined largely to Tigray region and border areas.** As recently as 11–12 December, the TDF was seizing territory around Lalibela and Gashena, with sources indicating this was aimed at either establishing defensive positions in Amhara region (forming a ‘security barrier’ around Tigray’s borders) or potentially facilitating a new offensive further west along the B22 road, towards Debre Tabor. By 18 December, Lalibela and Gashena were recaptured by pro-government forces, along with Weldiya and Kobo. Continuing heavy use of military uncrewed aerial vehicle (UAV) strikes by the Ethiopian military and the rapid pursuit of the retreating insurgents by pro-government forces into Tigray indicate that the TDF was under heavy military pressure to withdraw.
- **Pro-government forces are likely to attempt to continue advancing to capture most of Southern Tigray zone, at least as far as the town of Maychew on the A2 highway.** Most of Southern Tigray zone – the Raya area – is claimed by the Amhara regional government, whose forces are a key part of the central government’s fighting capacity. Consequently, pro-government forces are unlikely to halt their advance voluntarily before securing this area. Tselemti district, in North Western Tigray zone, is also claimed by Amhara region, making this a probable aspirational target for pro-government forces, although this area has not seen heavy fighting in recent months.
- **The TDF’s withdrawal meets the government’s minimum preconditions for commencing talks, but any ceasefire that is agreed is likely to break down into renewed sporadic fighting.** A statement on 20 December by GoT-TDF spokesperson Getachew Reda implied that they expected the TDF’s withdrawal to Tigray to result in increased international pressure on the Ethiopian and Eritrean governments to end the conflict. The statement alleged the threat the GoT-TDF faced from Eritrean forces was “equally, if not more important” to that they faced from Ethiopian pro-government forces. However, with Ethiopian Prime Minister Abiy Ahmed remaining in office and the TDF still holding both territory and heavy weaponry, both sides are likely to believe that the opposing side remains intact and is not pursuing negotiations in good faith. Consequently, both pro-government forces and TDF forces are likely to seize quickly perceived opportunities to launch new attacks expected to inflict reversals on their opponents, or, in the case of the TDF, yield significant new supplies.



Indicators of changing risk environment

Increasing risk

- Pro-government forces advance along the A2 highway north of Maychew, indicating likely intent to attempt the recapture of all of Tigray, resulting in widespread heavy fighting, including in Tigray’s major settlements.
- The Eritrean military carries out preparations and troop movements aimed at renewed anti-TDF operations, most probably advancing east from Western Tigray zone or west from Afar Zone 2, likely resulting in widespread heavy fighting across currently TDF-controlled territory.
- The TDF conducts reconnaissance and probing attacks aimed at recapturing and holding Weldiya, representing the most significant indicator of new offensive operations further into Amhara or Afar regions.

Decreasing risk

- The Eritrean military renews anti-TDF operations, likely pushing the TDF to resort to a protracted rural insurgency, rather than controlling main settlements.
- Large-scale prisoner releases are made by both sides – most likely of recently detained ethnic Tigrayan civilians by the Ethiopian government, or wounded pro-government soldiers by the TDF – indicating increased willingness to enter into a ceasefire and subsequent negotiations.

Mass protests likely to continue in Sudan’s major cities, blocking major roads; security forces’ lethal response probable

23 Dec 2021 - Country Risk | Headline Analysis

News media reported that Abdullah Hamdok intended to step down as Sudan’s prime minister on 22 December, although he had not resigned by the time of writing on 23 December. Hamdok was reinstated as prime minister on 21 November in a transitional government led by General Abdel Fattah al-Burhan, after

being removed on 25 October by Burhan in a coup. Hamdok has stated that he joined Burhan's government to stop anti-coup protests, which security forces have been suppressing violently. However, hundreds of thousands of protesters assembled in the capital, Khartoum, and other major cities on 19 December to denounce Burhan's military-led government, as well as Hamdok for joining it. IHS Markit sources stated that members of the Sudanese Armed Forces (SAF) and police allowed protesters to cross the El Mek Nimr Bridge, which enabled them to stage a mass sit-in outside the Presidential Palace. It is not clear if the SAF and police personnel sympathised with the protest movement or were unable to hold back the large crowd. Some protesters subsequently breached the grounds of the palace before being dispersed violently by the security forces.

Significance: According to media sources with access to Hamdok's inner circle, his resignation threat is allegedly a bargaining tactic to convince the military to grant him more autonomy over cabinet appointments. Regardless of Hamdok's actions, protesters are likely to continue assembling in the hundreds of thousands at upcoming anti-government protests. This would be especially likely if Hamdok resigned, given that the government would have an even smaller civilian component. Civil-society opposition coalition the Forces for Freedom and Change (FFC) has announced nationwide protests on 25 and 30 December. During these protests, traffic disruption is expected on bridges connecting Khartoum's main neighbourhoods and on major roads. Ahead of the 25 and 30 December protests, the government is likely to respond to apparent security lapses on 19 December by replacing members of the SAF and the police who failed to stop protesters from crossing El Mek Nimr Bridge with personnel deemed more loyal to Burhan. These personnel are likely to use sound bombs, rubber bullets, and live rounds against the protesters. If Burhan does not trust the SAF and police to contain the protesters and relies too heavily on the paramilitary Rapid Support Forces (RSF), a much more violent security response is likely. RSF recruits tend to be younger than SAF soldiers and have fewer familial and friendship ties to protesters, who are mainly from Khartoum. Widespread lethal force meted out by RSF fighters would increase the likelihood of factions of the SAF sympathising with the protesters and organising a counter-coup against Burhan.

Risks: Civil war; Government instability; Protests and riots

Sectors or assets affected: All

Terrorist attack at Colombia's Cúcuta airport indicates increasing risk for aviation assets in Norte de Santander department

22 Dec 2021 - Country Risk | Headline Analysis

Colombia's security forces on 20 December conducted several arrests related to a 14 December terrorist attack at Camilo Daza Airport in the city of Cúcuta. The attack left three dead after two explosive devices went off in a field outside the main terminal. The first detonation killed a man believed to be an insurgent carrying the device, which was reportedly activated by accident. A few minutes later, a second device exploded nearby, killing two members of the National Police bomb squad who were responding to the first explosion. The authorities had initially said that the bombings had been carried out by either Ejército de Libertad Nacional (ELN) rebels or Fuerzas Armadas Revolucionarias de Colombia (FARC) dissident guerrillas. However, the latest report by the security forces point to members of the FARC dissident 33rd Front as the likely perpetrators – the same group that was blamed for the 25 June failed attack on a helicopter transporting President Iván Duque as it landed at the Cúcuta airport. As for the 14 December incident, the security forces have claimed that the attackers' goal was to damage military aircraft parked on the runway.

Significance: The incident is indicative of an escalation of terrorist attacks against military assets, including military aircraft, in the department of Norte de Santander (NdS), and its capital Cúcuta, this year. There have

been at least seven terrorist incidents in Cúcuta this year, including a vehicle-borne improvised explosive device (VBIED) attack on 15 June on the 30th Military Brigade base, which left 34 soldiers injured. There have also been several attacks with IEDs against police stations across the city. This is unusual since most attacks have previously occurred away from Cúcuta, mostly in rural areas. However, increased terrorist activity is not reflective of a national trend, but rather, an indication of growing criminal activity in NdS, one of Colombia's most violent regions. NdS is Colombia's main coca-producing region, and a major smuggling route for drugs and illegal immigrants. This has resulted in a growing presence of several ELN guerrilla factions, FARC dissident groups, and dozens of criminal gangs, all vying for control in NdS. The recent attacks are likely to be in retaliation against security forces' killing of several commanders of FARC dissidents; growing criminal activity suggests that the upward trend is likely to continue.

Risks: Terrorism

Sectors or assets affected: Aviation; Military and police assets

Libya's election postponement likely to create further political fracture between east and west without clear political roadmap

21 Dec 2021 - Country Risk | Headline Analysis

Jean Alam, the spokesperson for the United Nations Support Mission in Libya (UNSMIL), denied on 20 December news that circulated on social media indicating that the UN body was preparing a new roadmap for Libya's general election, originally scheduled for 24 December. His comments came while the head of the Electoral Legislation Drafting Committee, Abdul Hadi al-Saghir, confirmed in a media interview released on the same day that the 24 December presidential election has been postponed, despite no official announcement being made. IHS Markit has previously assessed that the original election time frame was unachievable because of persisting disagreements between the Tripoli-based Government of National Unity (GNU) and the eastern parliament, the House of Representatives (HoR). As of 21 December, Libya's High National Elections Commission has yet to publish the final list of candidates for the presidential election, making the postponement a mere procedural issue.

Significance: The reason why no Libyan political body has officially announced the postponement of the election is because both sides want to avoid taking the blame after the GNU-HoR failure to agree on a concerted political roadmap or a new electoral date. The postponement to an undetermined date is likely to create a new legitimacy crisis, as the GNU was originally formed to lead the country towards the December election. The postponement is now likely to result in a temporary extension of the GNU mandate until a new roadmap is decided upon. This is likely to be challenged by eastern political factions, increasing the likelihood of the current attempts to unify state institutions collapsing. While a full resumption of the civil war remains unlikely in this time frame, there will be a very high risk of localised fighting in Tripoli between militias opposing the GNU and those still loyal to it, as well as eastern-backed protests at oil export terminals in the Sirte basin. The postponement of the election date beyond February or March 2022, or an indefinite extension of the GNU mandate, would probably trigger a resumption of fighting between eastern and western forces, although it would be most likely to remain limited to central Libya, especially around the Sirte basin. A broader Libyan National Army (LNA) offensive into Tripolitania on a scale comparable to the one in April 2019 is unlikely.

Risks: Government stability; Civil War

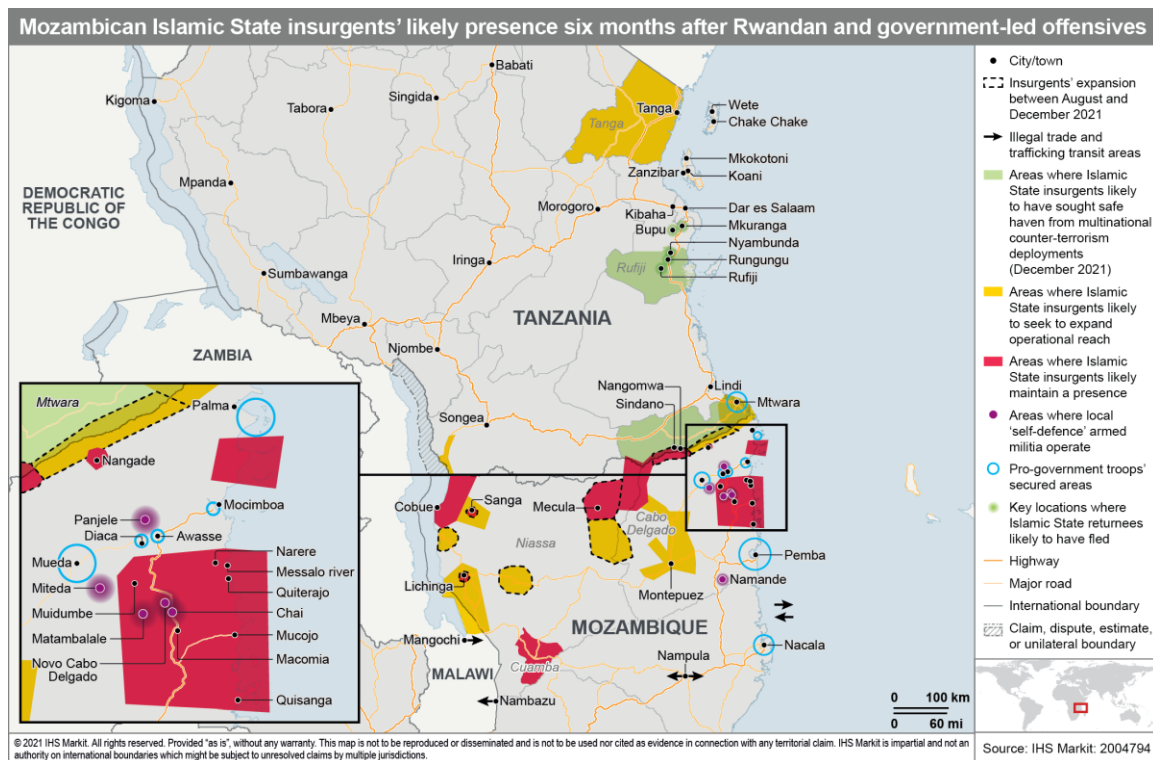
Sector or assets affected: All

Insurgents likely to gain increased attack capability in Mozambique's Niassa province over six-month outlook

17 Dec 2021 - Country Risk | Headline Analysis

The Islamic State on 13 December claimed responsibility for the 8 December raid by insurgents on the city of Lichinga and villages in Niassa province, northwestern Mozambique, causing an unknown number of casualties, adding that it targeted Christians specifically. In the past month, insurgents have attacked several villages in Niassa province, executing villagers using small arms or decapitation, burning homes, and kidnapping women, such as in Naulala on 27 November, when 100 young people were kidnapped, according to unconfirmed reports. According to reports, Mozambican security forces and Rwandan troops, who are assisting in counter-insurgency operations in northern Mozambique, have either not intervened or only arrived hours after the raids, most likely due to limited numbers and the distances involved.

Significance: Insurgents in Niassa province are likely to gain improvised explosive device (IED), small-arms, and rocket-propelled grenade (RPG) capability from insurgents in Mozambique's northeastern Cabo Delgado province in the first half of 2022. The Niassa insurgents view the insurgents in neighbouring Cabo Delgado as having aligned objectives and common opponents in the government and international forces who are operating in northern Mozambique. The location of the insurgents' attacks throughout Niassa confirmed IHS Markit's assessment that insurgents have been operating in small independent groups since August. By splitting their forces, the insurgents have likely lost their access to illegal trade networks by losing control over Cabo Delgado's coastal areas. However, between August and December, insurgents have expanded their presence towards areas in Niassa province where illegal mining is taking place (around Mecula and Sanga, north of Lichinga, see map below). We assess that insurgents are seeking to extort illegal miners to generate new revenues. Insurgents are likely to be using a network in Mangochi (Malawi) to sell the illegal mining product and the kidnapped women. Although most of the new revenues are very likely to be used to enable the groups to continue to operate, some of the funds are likely to be used to buy commercial drones (uncrewed aerial vehicles, UAVs). Insurgents have used UAVs widely for surveillance and subsequent targeting of defence and security forces with small-arms ambushes in 2021, according to an in-country source close to the Mozambican army. The probable withdrawal of the Southern African Development Community Mission in Mozambique (SAMIM) in 2022 is very likely to stretch the Rwandan and Mozambican security forces further. Their limited numbers and lack of coverage is unlikely to mitigate the exchange of men and equipment between insurgent groups in Cabo Delgado, which have used IEDs, RPGs, and mortars in 2021, and groups in Niassa, only armed with small arms to date.



Risks: Terrorism; Civil war; Kidnap and ransom; Death and injury; State failure

Sectors or assets affected: Ground cargo; Mining; Construction

Continued Belarusian potash transit via Klaipeda seaport elevates likelihood of Lithuania’s cabinet reshuffle in three-month outlook

13 Dec 2021 - Country Risk | Headline Analysis

Lithuania’s Foreign Minister Gabrielius Landsbergis, a vocal opponent of the Belarusian administration of Alexander Lukashenka and supporter of the Belarusian political opposition, filed his resignation letter on 10 December, in protest against the potash products of Belarus-based Belaruskali still being transported via Lithuania’s Klaipeda seaport, despite the sanctions. Today (13 December), Transport Minister Marius Skuodis also tendered his resignation letter over the same issue. US sanctions against the Belarusian potash exports entered into force on 8 December. The state-owned Lithuanian Railways (Lietuvos Geležinkeliai: LTG) freight transportation subsidiary previously annually handled over 10 million tons of Belaruskali’s shipments, valued at around EUR60 million. Landsbergis chairs the conservative Homeland Union – Lithuanian Christian Democrats (Tėvynės sąjunga – Lietuvos krikščionys demokratai: TS-LKD) party, which governs in coalition with two liberal parties. The TS-LKD has 50 seats, the biggest faction, in Lithuania’s 141-seat unicameral parliament.

Significance: LTG said that the shipments would continue as an advance payment made by Belaruskali in November sufficed to cover the cost of transit until January 2022. Lithuania’s Prime Minister Ingrida Šimonytė, who is an independent, said that the government would use legal means to cancel the contract between LTG and Belaruskali, floating the proposal of reimbursing the advance. If the contract cancellation with Belaruskali is unsuccessful and Landsbergis’s resignation is finalised, a pathway to a cabinet reshuffle and potential coalition reconfiguration would be opened, owing to the TS-LKD’s dominant position in the ruling coalition. However, an early election would yet be unlikely. IHS Markit assesses major policy shifts in case of a cabinet

reshuffle as unlikely, but this will depend on the outcome of the cabinet's reconfiguration. Even in the case of a reshuffle, the Lithuanian government is likely to continue its opposition to Lukashenka's administration in Belarus, thus further restricting bilateral trade, including that in transit via Lithuanian ports.

Risks: Government instability; Policy instability; State contract alterations; Regulatory burden

Sectors or assets affected: All, but especially international trade, railways, and seaports

Secessionists likely to attempt unsophisticated small-scale attacks in Limbe and Bafoussam during Cameroon Africa Cup of Nations

9 Dec 2021 - Country Risk | Headline Analysis

From 9 January to 6 February, Cameroon will hold the Africa Cup of Nations (CAF) in Yaounde, Douala, Limbe, Bafoussam, and Garoua.

- **Secessionists are likely to attempt limited improvised explosive device (IED) and small-arms attacks in Limbe and Bafoussam during Cameroon Africa Cup of Nations (CAF).** Secessionists have been posing a continuous threat of IED, grenades, small-arms, and edge weapons attacks in Cameroon's anglophone regions and security forces are unlikely to be able to fully mitigate this threat. Secessionist groups are likely to target hotels where francophone supporters and players stay, and the transportation they use, mostly buses. One aim of disrupting the CAF would be to demonstrate the lack of control that the central government has in anglophone regions, strengthening their claim for independence. Attacks on the CAF would also raise the profile of the secessionists' cause due to the significant media attention.
- **The stadium or roads that staff, players, or supporters are known to be travelling in Douala and Yaounde are likely to be aspirational targets; the police response will likely include widespread arbitrary arrests that will probably be met by violent protests.** In November 2020 and January 2021, IEDs were detonated in Douala, wounding two people in each case, indicating that secessionists have the capability and intent to conduct this type of operation. In July 2020, an undetonated IED was discovered in Yaounde and on 29 November 2021, the police arrested two secessionists suspected of planning to carry out attacks during the upcoming CAF tournament. An in-country IHS Markit source reported that the Douala and Yaounde security forces have been conducting day and night patrols near political institutions and population centres since September 2021. These measures are likely to disrupt attacks within the cities but also lead to arbitrary arrests. There have been numerous allegations of suspects being mistreated in custody; should fatalities take place, there are likely to be violent protests against the police in the vicinity of the CAF tournament. The police will reply with tear gas and batons, efficiently dispersing the crowd but occasionally using lethal force against protesters and bystanders.
- **Terrorist attacks by Boko Haram or Islamic State of West African Province (ISWAP) insurgents from Nigeria or from northern Cameroon remain unlikely in Garoua.** Insurgents there have been focusing on controlling territory around Lake Chad and it is unlikely that they seek to attack the CAF. In the unlikely event of insurgents attempting to reach Garoua, they are likely to be detected, as Nigeria's border and the roads linking the northern areas of Cameroon where Boko Haram insurgents are present are well monitored and patrolled by security forces, according to an in-country source.
- **In all cities, there is a very high likelihood of a surge in criminality and verbal and physical assault of the audience and staff, posing injury risks to all participants.** The concentration of population is a financial opportunity for organised criminal groups, which will likely operate without firearms but with edge weapons in Yaounde, Douala, and Garoua, and with small-arms in Bafoussam and Limbe. In all cities,

criminals will likely organise the sale of counterfeit tickets to fill stadiums that, due to COVID-19 restrictions, are planned to be filled to just half capacity. If refused entry, some buyers of fake tickets are likely to assault stadium staff verbally and physically, although unarmed. Supporters from Sudan and Nigeria are the most likely to attend their teams' matches, making fighting between rival supporters likely, and verbal and attempted physical assaults of referees and other staff are also probable in matches in which Nigeria or Sudan play against Cameroon or against one another.

Indicators of changing risk environment

Increasing risk

- If the CAF staff and tournament players use roads outside of the urban centres of Bafoussam and Limbe, they will be at even higher risk of successful IED and small-arms attacks.

Decreasing risk

- If the BIR replaces the police and gendarmerie to secure Yaounde and Douala, arbitrary arrests followed by death in custody will be less likely, mitigating the risk of ensuing violent protests.

Suspension of mining operations in southern Peru indicates increased disruption and property damage risks into 2022

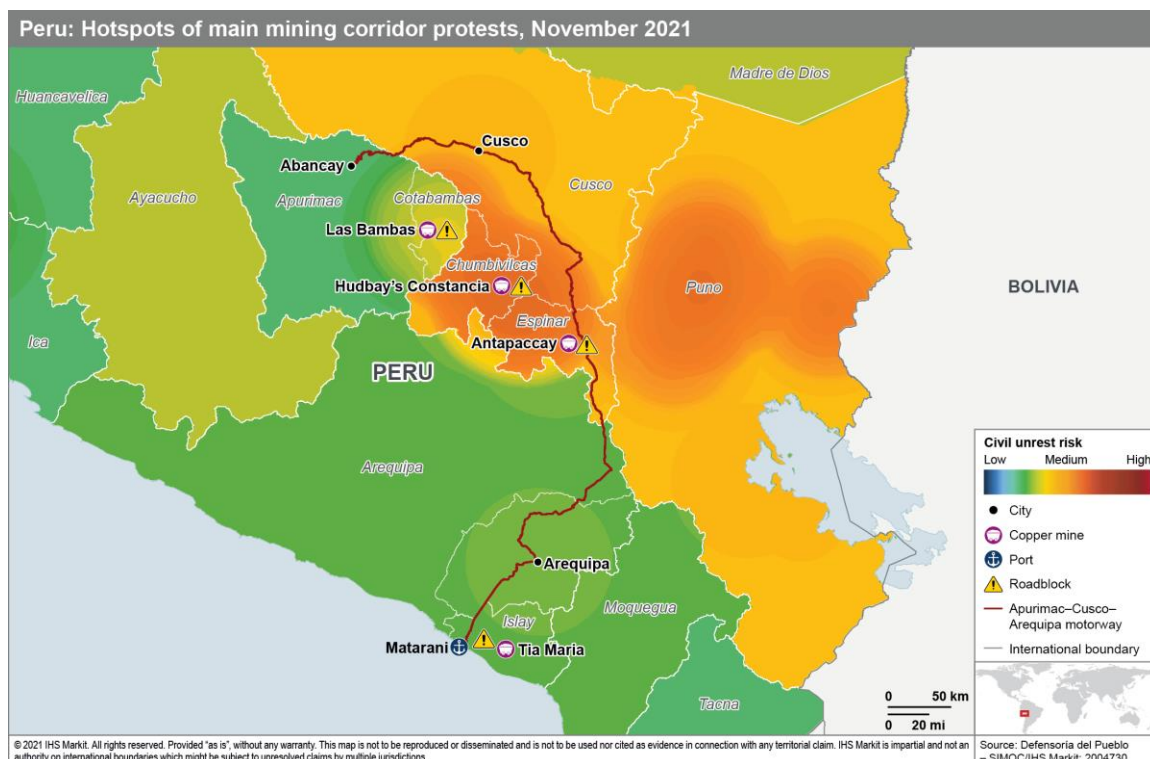
8 Dec 2021 - Country Risk | Headline Analysis

Chinese-owned MMG's Las Bambas mine in Peru announced on 3 December the suspension of copper production operations from mid-December because of ongoing road blockades of the Apurímac-Cusco-Arequipa motorway ("mining corridor") by members of local communities in the Chumbivilcas province in Cusco. The blockades have temporarily stopped the transportation of copper from the mine on the only direct route to the Matarani port in Arequipa.

- **Road blockades will continue to disrupt mining operations as the government is unlikely to reach more than temporary local agreements with communities.** Las Bambas represents 2% of world copper production, with losses caused by the blockades costing the company an estimated USD9.5 million a day, according to the National Society of Mining, Oil and Energy (Sociedad Nacional de Minería, Petróleo y Energía: SNMPE). The government is likely to attempt to broker a temporary solution with locals in Chumbivilcas given the economic importance of Las Bambas, as it represents 15% of Peru's total copper production; however, as seen with past agreements negotiated by President Pedro Castillo's administration, grievances are likely to resurface. In the case of Las Bambas, the government had negotiated an agreement signed on 5 October between the Chumbivilcas communities and Las Bambas copper project after almost two months of intermittent blockades. The mine has experienced almost three months of intermittent blockades so far during 2021, with at least 17 communities in the area with grievances or in negotiations with the company. Elsewhere in southern Peru, there have been other protests in the last two months, involving blockades at Glencore's Tintaya Antapaccay and Hudbay's Constancia copper projects in the Cusco region. Roadblocks are likely to last up to 15 days, at which point the government is likely to intervene, and provisional agreements will be reached.
- **Recent contradictory messages by the government will exacerbate grievances.** Prime Minister Mirtha Vásquez signed on 19 November an agreement with local communities in Coracora, Ayacucho, that stated that no extension for exploitation or exploration would be allowed to four mines operating in the area: Hochschild's Pallancata and Inmaculada mines, South America Mining Investments (SAMI)'s Breapampa, and Apumayo company's Apumayo mine. The Peruvian government, however, backtracked on its decision on 24

November, 'clarifying' that mining companies can request extensions to their concessions after several business associations, including the National Confederation of Private Business Institutions (Confederación Nacional de Instituciones Empresariales Privadas: CONFIEP) and the SNMPE, objected. Although subsequent 'clarification' by the government reassured businesses that were affected, it is likely to increase protests risks in the Ayacucho region. The local communities that signed the agreement with Vásquez have rejected the 'clarification' and are asking the government to revert to its undertaking, giving the government until 15 December to do so. Local communities remain opposed to any mining activity in the area.

- As mining-related social conflicts escalate, there will be increased risk of both targeted and collateral property damage.** Expectations from mining communities have been high since President Castillo's inauguration, and having heavily supported him in the presidential election, they are demanding rapid action by the government in return. These high expectations are unlikely to be met by the government, especially as situations resulting in contradictory messages, such as the ones given in Ayacucho, are likely to be repeated, driving further long-standing salient grievances. The prime minister's negotiation with the Coracora communities came after violent protests on 30 October that led to 500 people breaking through the security perimeter of the Apumayo mine, stealing explosives, and setting fire to the company's mining camp and vehicles. Violent protests are also likely to increase into 2022, as seen in the last months when protesters on 30 October set a water tank truck from Antamina mine on fire while carrying out a protest against the company near Punta Lobitos port, from where the mine's copper is exported. Violent confrontations are likely between protesters and the national police if the latter attempt to clear roadblocks using tear gas and batons, as seen on 24 November, when locals in Saqui Totorá, Sina, blocked roads and forced their way through the security perimeter of the Argos Mine, resulting in a confrontation with the police.



Indicators of changing risk environment

Increasing risk

- Protesters' likely perceptions that the government is not making sufficient progress on meeting their demands would increase the likelihood of sustained protests targeting mining projects, initially with roadblocks.

- The radical faction of the ruling Free Peru (Perú Libre: PL) party increases support for local communities against extractive industries at a regional level, especially affecting high-conflict areas such as Cusco and Apurímac.

Decreasing risk

- The government is able to pass through Congress changes to the tax system, increasing direct revenues to local communities and reducing grievances. Under the current tax system, half of the direct tax income paid by mining companies is redistributed between regional, provincial, and district tiers of government but not to communities as such.