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TO RUEHC/SECSTATE WASHDC PRIORITY 1926
INFO RUEHKA/AMEMBASSY KUWAIT 0006
RUEHFR/AMEMBASSY PARIS 1058
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SENSITIVE
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C O R R E C T E D C O P Y //ADDING ADDRESSEE//

DEPT FOR AF/E, AF/FO, INR/AA
PARIS FOR AFRICA WATCHER

E.O. 12958: N/A
TAGS: [ECON](#) [PREL](#) [EFIN](#) [CN](#)
SUBJECT: Gulf Investment Group Influence In The Comoros

REF: ANTAN 809

¶1. (SBU) ACTION REQUEST: Post seeks insight from the Department into the background of Comoro Gulf Holdings and its principal officers: Bashar Kiwan (French-Syrian), President; Ali Kazma, Vice President; Ahmed Jaroudi (Lebanese), Manager.
END ACTION REQUEST.

Investment Promotion
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¶2. (SBU) In recent months, the "Kuwait-based" Comoro Gulf Holdings (CGH) has ramped up its activities in the Comoros. The long-awaited reopening of the Itsandra Hotel in Moroni (one of only two international hotels) in December, 2008, marked a tangible sign of CGH investment. With its 265 euro/night bungalows, the Itsandra is hoped to become a destination for wealthy Gulf tourists, and investors. Beyond the hotel, CGH has announced plans for a massive tourist village in the north of Grande Comore, an urban revitalization project in Moroni, and inter-island ferry ports. The group has opened a banking operation in the Comoros and obtained a cell phone company license.

¶3. (SBU) While there is little tangible aside from the Itsandra Hotel, there is a lot of activity - CGH's top officials around town and on the front pages, accompanying would be investors or signing deals. The company recently established a new headquarters office in a large villa compound outside Moroni. On a given day, a dozen cars with "CGH" logos may be spotted around Moroni. Whatever their ambitions, CGH has established a substantial, permanent presence in the Comoros, including ties to Comoran public and private elites.

Political Activism
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¶4. (SBU) Comoro Gulf Holdings has been overt in its political support for President Sambi and the Union Government. During the recent fuel shortages, the group reportedly made between USD three and five million in revolving credit available for petroleum imports. After the March, 2008, military intervention to depose Colonel Bacar in Anjouan, posters of President Sambi, "father of national unity" appeared all over the country, with the CGH logo in the corner. The group launched a newspaper, al-Balad, which mostly reprints pro-Sambi articles from the official al-Watwan paper and touts CGH activities.

¶5. (SBU) Most notably, CGH actively and openly lobbied for a controversial "economic citizenship law" that appeared to be rejected, then was passed at the National Assembly (REFTEL). Prior to that vote, in October, six National Assembly deputies visited Kuwait at CGH expense for a fact-finding mission to hear from

potential investors why the assurances of "economic citizenship" were crucial. The deputies received laptops and other gifts; upon their return to the Comoros they all supported the law. The local press reported that former National Assembly Secretary General, Aboubacar Said Salim, was hired by CGH soon after the vote.

COMMENT:

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¶6. (SBU) Taken at face value, CGH is a limited-funding promoter with a long-term vision of the Comoros as a Gulf tourist destination. Given years of stagnant economic growth, it is unsurprising that President Sambi's government would welcome these investors. Even the active promotion to force through the economic citizenship law could be viewed in terms of investment promotion and assurances. Still, something does not add up and it is worth investigating whether CGH's growing influence in the Comoros is completely benign. END COMMENT.

STROMAYER