

A Week in the Horn of Africa **5th February 2016**

Contents

- **The African Union Summit: the Assembly of Heads of State and Government**
- **.... the NEPAD Heads of State and Government Orientation Committee session**
- **The IGAD Council of Ministers considers South Sudan**
- **...and plans for an AMISOM Troop-Contributing Countries' Summit....**
- **UN Secretary-General: at a Donor's Roundtable and visiting drought areas**
- **The 10th Biennial US-Africa Business Summit held in Addis Ababa....**
- **...and a "Doing Business in Ethiopia" Forum**

News in Brief

Africa and the African Union

The two-day 26th Ordinary Session of the Assembly of the Heads of State and Government of the African Union took place at the African Union Headquarters, Addis Ababa at the weekend (January 30-31) under the theme: "African Year of Human Rights with a particular focus on Women Rights". President Mugabe handed over the AU chairmanship to Chad's President, Idriss Deby. (See article)

The 34th Session of the New Partnership for Africa's Development (NEPAD) Heads of State and Government Orientation Committee (HSGOC) took place on Friday last week (January 29). (See article).

The 55th Extraordinary session of the IGAD Council of Ministers was held in Addis Ababa at the weekend (January 30-31) on the margins of the AU Summit. The focus of the meeting was the situation on South Sudan and Somalia. (See articles).

The three-day 10th Biennial US-Africa Business Summit 2016 opened on Monday (February 1) at the United Nations Economic Commission for Africa in Addis Ababa. It was organized by the US Corporate Council on Africa and Co-hosted by the Ethiopian Government and the African Union. (See article)

Ethiopia

On the side-lines of the AU Summit, Prime Minister Hailemariam Dessalegn and President Abel Fattah el-Sisi of Egypt agreed that their bilateral relations were based on mutually agreed principles and any negative information in the media should not affect their relationship. They also agreed on the need to strengthen the Joint Ministerial Commission and to further cooperate in counter terrorism.

During the AU Summit, Foreign Minister Dr Tedros Adhanom's bilateral meetings included the Foreign ministers of the Netherlands, Luxembourg, the UK's Minister for Africa, Kazakhstan's Deputy Foreign Minister, and Special Representative of the Secretary General for Somalia. State Minister, Ambassador Taye Atske-selassie also met with Canada's Assistant Deputy Minister for Africa, the Special Envoy for Finland, and the Philippines' Under Secretary of Foreign Affairs among others.

Foreign Minister Dr Tedros met a delegation headed by the Special Representative and UN Under-Secretary-General on Sexual Violence in Conflict on Tuesday (February 2). Discussions covered the follow-up of the United Nations Inquiry Commission Report on South Sudan and placing woman and children in South Sudan conflict areas on IGAD's priority agenda.

Foreign Minister Dr Tedros held talks with the Foreign Minister of Austria, Sebastian Kurz, on Tuesday (February 2), focusing on development cooperation, humanitarian assistance partnerships, investment and regional issues.

State Minister of Foreign Affairs, Ambassador Taye Atske-selassie met Ms Claudia Wiedey-Nippold, and other delegates from the European Union, on Tuesday (February 2). The visit was part of the follow-up process to Foreign Minister, Dr Tedros Adhanom's recent visit to Brussels and Ms Wiedey-Nippold presented a draft aide-memoire of possible actions under the Common Agenda on Migration and Mobility.

Ethiopia and the Joint Monitoring and Evaluation Commission for South Sudan Peace Process (JMEC) signed a Memorandum of Understanding to establish JMEC's Office in Addis Ababa on Thursday (Feb. 4). The MoU was signed by State Minister of Foreign Affairs, Ambassador Taye Atske-selassie and JEMC's Chairman Festus Mogae.

After participating in the Donors' Humanitarian Roundtable in Addis Ababa on Monday (February 1), UN Secretary-General Ban Ki-Moon visited drought affected areas on the Oromiya National Regional State. (See article)

The head of the US Agency for International Development (USAID) announced \$97m in emergency assistance to Ethiopia to combat the severe effects of the drought brought on by the El Niño climate phenomenon. (See article)

A "Doing Business in Ethiopia" Forum was launched on Tuesday (February 2, co-organized by the US Corporate Council on Africa and Ethiopia's Ministry of Foreign Affairs. Foreign Minister Dr Tedros spoke at its opening. (See article)

An Ethio-Sudan Trade and Investment Forum opened on Saturday (January 30) in Khartoum, 2016. It was attended by Dr Hasabo Mohamed Abdurahman, Vice president of Sudan; and the Ethiopian delegation was led by State Minister of Industry, Dr Mebrhatu Melese.

The Addis Ababa Chamber of Commerce and Sectoral Association and its Luxembourg counterpart signed a Memorandum of Understanding on Thursday (February 4) at the Ethio-Luxembourg Multi-Sectoral Economic Forum this week (February 3-6).

Ethiopia signed an agreement to host the headquarters of Eastern Africa Standby Force (EASF) on Monday (February 1). The agreement was signed by State Minister for Foreign Affairs Taye Atske-selassie and Eastern Africa Standby Force Director, Ambassador Chanfi Ismail.

Djibouti

President Ismail Omar Guelleh met with Ethiopia's Prime Minister Hailemariam on the sidelines of the AU Summit. Discussions covered further economic cooperation and enhancing

trade relations. They agreed to encourage and make it easier for investors in both countries, and also considered ways to combat terrorist groups such as Al-Shabaab.

The Foreign Minister's offer for Djibouti to host a summit-level meeting of the AMISOM Troop-Contributing Countries before the end of the month was accepted by the IGAD Council of Ministers (See article).

Eritrea

The city of Asmara was submitted to the World Heritage Center at UNESCO headquarters in Paris as a candidate for the World Heritage List on Monday (February 1) under the title "Asmara: Africa's Modernist City."

Kenya

President Uhuru Kenyatta met with United Nations Secretary General Ban Ki-Moon to discuss Somalia and the activities of AMISOM on Saturday (January 30).

President Kenyatta presented a report on the African Peer Review Mechanism (APRM) to the AU Assembly of Heads of State and Government, on Sunday (January 31).

President Kenyatta addressed the AU Peace and Security Council Summit in Addis Ababa at the weekend and called for a review of AMISOM's mandate to allow it change its rules of engagement as it fights to eradicate terrorists in Somalia.

Cabinet Secretary for Foreign Affairs, Ms Amina Mohamed, and Somalia's Foreign Minister, Abdisalam Omer, signed a cooperation agreement to provide a framework for the promotion of bilateral links on Monday (February 1). They also agreed to re-launch the Joint Commission of Cooperation to help boost bilateral ties.

Somalia

President Mohamud held talks with Ethiopian Prime Minister, Hailemariam on the peace and security situation in Somalia on Monday (February 1) in Addis Ababa. The Prime Minister said Ethiopia would continue its support to bring peace and stability in Somalia.

UN Under-Secretary-General for Political Affairs Jeffrey Feltman visited Mogadishu on Wednesday (February 3) and held talks with President Mohamud and the Speaker of the Parliament. Talks focused on the political and security situation and the electoral process. Mr Feltman pledged continued support to the Government and welcomed the 30% quota of women's representation in the forthcoming Parliament.

The Special Representative of the UN Secretary-General for Somalia, Michael Keating, and representatives of the international community, visited Kismayo on Thursday (February 4). They met with President Sheikh Ahmed Islam "Madobe" and Jubaland officials and MPs, who expressed reservations over the 2016 electoral model and asked for guarantees that it would not be used again. They accepted the proposed model for 2016 in the interest of peace and unity.

The International Maritime Bureau has called on foreign vessels to remain vigilant off the coast of Somalia despite no Somali-based piracy attacks being reported in 2015. However, in its annual report for 2015 the IMB warned vessels transiting the Gulf of Aden and Indian Ocean to stay particularly vigilant as "the potential for an attack remains high."

South Sudan

A communiqué issued on Sunday (January 31) after an extraordinary meeting of the IGAD Foreign ministers, called on all the parties to the Agreement on the Resolution of Conflict in South Sudan to form a transitional unity government at the national level without an amended new constitution. (See article)

The South Sudanese army said on Thursday (February 4) that its forces are ready to deploy outside Juba, in preparation for the arrival of SPLM-IO forces, but it lacked resources to establish military camps outside Juba as provided for in the security arrangements. The two sides were represented in the Ceasefire and Transitional Security Arrangements Monitoring Mechanism (CTSAMM) meeting on Tuesday to identify areas where forces are to be redeployed.

Minister of Petroleum and Mining, Stephen Dhieu Dau, said on Wednesday (February 3) that South Sudan had agreed with the Government of Sudan that costs of transporting South Sudan crude oil through Sudan to international markets would fluctuate according to global oil prices. The post 2011 transitional financial arrangement would be extended to ease payments.

In another agreement, signed on Wednesday, South Sudan will also provide Sudan with 28,000 barrel of crude oil per day to be used in power production and cover local needs.

Sudan

President al-Bashir announced the resumption of river transport with South Sudan on Thursday (February 4) ending a four-year halt declared by Khartoum for security concerns and accusations of support to rebel groups.

The African Union Summit: the Assembly of Heads of State and Government

The two-day 26th Ordinary Session of the Assembly of the Heads of State and Government of the African Union opened at the African Union Headquarters, Addis Ababa on Saturday (January 30) under the theme: “African Year of Human Rights with a particular focus on Women Rights”. The session opened in the presence of the assembled Heads of States and Government of Africa; the outgoing Chairperson of the African Union, President Mugabe of Zimbabwe; the Chairperson of the African Union Commission, Dr Nkosazana Dlamini Zuma; the Secretary General of the UN, Mr Ban Ki-Moon; the President of the African Development Bank, Dr Akiniwumi Adesina; the Executive Secretary of the UN Economic Commission for Africa, Dr Carlos Lopez. Other present included the Prime Minister of the Kingdom of Sweden, Mr Stefan Lofven; the CEO of the NEPAD Agency, Dr Ibrahim Mayaki; representatives from Regional Economic Communities; heads of AU organs; members of the diplomatic corps and other prominent personalities.

Speaking at the opening session the AU Commission’s Chairperson, Dr Dlamini Zuma began her speech acclaiming the song performed by a group from Zimbabwe on the aspirations of the people of African for Agenda 2063. She thanked the group for capturing the essence of transformation that is required, and encouraged artists all over the continent to embrace Agenda 2063 as an individual as well as collective aspiration. After mentioning the Mekele

Retreat of the Executive Council earlier in the week and the discussions there on the great diversity of Africa, “its biggest strength and its enduring splendor” said the Council “came to the conclusion that indeed the Africa we have is rich, but the paradox is that the majority of African people are poor.” Dr Zuma said: “We must resolve this ironic paradox that deprives us from creating wealth and shared prosperity.” Along with using these riches in diversity for encouraging tourism, the Chairperson proposed domestic encouragement of tourism to take advantage of the demography of the continent. “We continue to welcome tourists from outside the continent, but for the over one billion Africans to visit Africa, we ask our Heads of States to consider the change proposed by the Executive Council, that will make the free movement of Africans on our continent possible.” Dr Zuma said Africa had the human and natural resources that could allow the continent to leapfrog to prosperity. “Through renewed commitment,” she said, “African leaders should work towards realizing a prosperous and peaceful Africa.” In this regard, she emphasized the critical need to “unlock the wealth of the African continent.”

Dr Zuma pointed out that during the coming year, “As we celebrate the Year of Human Rights, with particular focus on the rights of Women and Girls, we must therefore speed up transformation.” She said: “We must continue to place our people and their basic human rights, at the center of Agenda 2063. This includes our people’s rights to education, to food and nutrition, to health care, to safe water, sanitation and energy, to join in peace, to be safe from violence and extremism, to reach their full potential, in addition to the right to association, to free speech, to freedom of the media and to be protected from discrimination on any grounds. We are making progress, but our pace is very slow.” Dr Zuma also noted the importance of educating and giving training to the young men and women so that they can become the engine and the drivers of Africa’s renaissance and transformation. She announced the inauguration of the African Economic Platform in Mauritius, to be held on April 14 and 15, to provide for discussions with the African private sector, academics and think tanks on the urgent issues of the huge skills gap on the continent, on industrialization and integration and other critical matters. Dr Zuma also urged the Secretary General of the United Nations and the UN agencies to help resolve the matter of the independence of Western Sahara “before the threat of radicalization of young people in the camps – in the face of our indifference and inaction - becomes a further destabilizing force.”

The United Nations Secretary General, Mr Ban Ki-Moon, after congratulating the AU for deciding to focus on human rights as its theme for 2016, stressed the need for ratifying the many vital commitments made by the AU on human rights and women’s rights, including the Maputo Protocol on the Rights of Women’s rights, the African Charter on Democracy, Elections and Governance, and the Protocol creating the African Court on Human and People’s Rights. He noted that protecting women’s rights was decisive for peace and security, for the fight against violence and extremism and the promotion of sustainable development; and urged the importance of moving on from setting standards to what he called, “the three Is; Implementation, Institution building and Investment.”

Mr Ban Ki- Moon said that Africa had made major progress in its vision of promoting peace and security, adding that “the UN is proud to having your company on this path”. He looked for enhanced partnerships between the African Union and the United Nations. He commended the AU’s “greater involvement” in mediation and conflict resolution; the efforts AMISOM made to stabilize Somalia, the support made to Chad Basin countries in their collaborative campaign against Boko Haram’s terror in the region. He added, “We count on our strong rights-based partnership with African governments to tackle the spread of violent

extremism.” He welcomed the proposal to deploy human rights observers and to establish a prevention and protection mission in Burundi. The Secretary-General, while commending AU’s efforts of bringing peace and stability to South Sudan, noted that it was regrettable for the parties to miss the deadline to form the transitional government and urged them to let the people of South Sudan enjoy the fruits of independence. On Somalia, he applauded the efforts of AMISOM in stabilizing the country and making sure that that upcoming national election is held peacefully. Mentioning Africa as the continent that has endured discrimination of the worst kind he added, “My dream is that Africa will provide a shining example to the world of tolerance, understanding, and respect for human rights.” Mr Ban Ki-Moon, setting elections as the test of good governance, warned leaders should not use undemocratic constitutional changes and legal loopholes to cling to power, adding, “leaders must protect the people not themselves.”

Mr Mahmoud Abbas President of the State of Palestine and Chairman of the Palestine Liberation Organization Executive Committee, appreciating the “kind invitation” by the AU for inviting his country, Palestine to attend the Summit said, “your support rendered to us over the years in various fora and at several meetings confirms and emphasizes your genuine concern for the question of Palestine as an African issue”. The President noted his country would support the demands of Africa for the reform of the Security Council of the United Nations, and its demand to have a permanent membership in the Security Council, as well as its efforts to bring peace to all parts of the continent.” Mr Abbas asked the AU to give his country its fullest support possible to push for an international peace conference, for the implementation of the Arab peace initiative, for the application of the two-state solution and for the creation of a new mechanism of international and group works “along the lines of groups working to resolve the crises in the region such as the 5+1 and other.”

In his last speech as Chairperson of the African Union, Zimbabwe’s President Robert Mugabe focused on historical racial injustice and the equality of humankind, either black or white. He bitterly criticized the continued dominance of the developed countries over world affairs, as well as the lack of African representation in the UN Security Council. He said, “We have asked and asked and asked for Security Council reform,” adding that Africans were tired of making “hollow speeches” at the UN with no results. He said, “If the United Nations should survive, we must all be equal members of it”. This brought loud applause and cheers from the audience. He reflected on the NEPAD partnership and the launch of the Africa Global Partnership (AGPP) and said, “As we cooperate with these partners, we need to ensure we retain control of the African development agenda as we have the unique advantage of fully appreciating the needs and priorities of our people.” President Mugabe also focused on the state of peace and security on the African continent, noting that despite continuing conflicts in some parts of the continent, “we witnessed some successes and overall, there was political stability”. He complimented the Amani Field Exercises II, saying it means the continent can now deploy the African Standby Force as a tool for conflict prevention and this was a step towards “silencing the guns”. He too called for the freedom of the people of Western Sahara. President Mugabe went on to note that climate change had become a real threat, saying the current El Nino phenomenon was increasing the chance of hunger and disease.

Before the summit opening ceremony concluded, President Mugabe handed over the AU chairmanship to Chad’s President, Idriss Deby, giving him a mock bang on the head with the chairperson’s gavel as he did so. In his acceptance speech, President Idriss Deby urged the continent to take advantage of its increased profile in the international system and organize

itself to defend its interests. He noted the need to give the AU the means to attain its objectives, saying it was unacceptable that the functioning of the AU should be financed by the outside world. He urged the continent to be action-oriented in order to change its history. He spoke strongly against terrorism, saying the continent should ensure its own security, using its own human resources. He said, “We have to organize ourselves to collectively defend our interests,” adding, “Our solidarity must be in words and in deeds; we must support the current restructuring of the African Union.” Meanwhile, the full new bureau to serve with Mr Deby was announced as follows: First Vice-Chairperson, President Yayi Boni of the Republic of Benin; Second Vice-Chair, President Paul Kagame of the Republic of Rwanda; Third Vice Chair, Ageila Salah Issa, Speaker of the House of Representatives of the State of Libya; and AU Rapporteur, President Mugabe of Zimbabwe.

On its second day of deliberations, the Assembly heard reports of various committees and adopted decisions and declarations earlier endorsed by the Executive Council. The Assembly extensively discussed the report of the Peace and Security Council on its activities and on the current state of peace and security in Africa. It expressed its deep concern on the continuing stalemate in Burundi, despite the sustained efforts by the East African Community, the International Conference on the Great Lakes Region and both the AU and the UN. It stressed the need for an inclusive and peaceful settlement of the political problem in the country and emphasized the deteriorating security situation risked jeopardizing the important gains recorded following the signing of the Arusha Agreement and the Global Ceasefire Agreement of 2003. It decided that the deployment of the proposed protection force (MAPROBORU) should only be with the consent of the Government of Burundi which has not been given. It therefore decided to send a High-Level Delegation to Burundi for an inclusive dialogue which would entail disarming the militia in collaboration with the local police and facilitating the deployment of human rights observers.

The Assembly also expressed its deep concern at the existing situation in South Sudan. It strongly condemned all the ceasefire violations committed by all parties and urged all parties to fully play the role expected of them in fostering dialogue. In a press conference, the AU Commissioner for Peace and Security, Ambassador Smail Chergui, said later that the Assembly had welcomed the significant progress made in Somalia both on political and security fronts, but had underlined the importance of working to make sure that Vision 2016 goes into effect. The need to reassess AMISOM, in order for the mission to implement a more conducive environment for the pursuit of the political process in Somalia was underlined. Other issues that were discussed included the problems of eastern DRC, the need to tackle unemployment and poverty in Guinea Bissau, and the conclusion of the Assembly that sending troops to Libya would complicate an already difficult situation there. Overall, the Commissioner said, the Assembly discussed the impact and the possible ways out from the evils of terrorism across the continent at considerable length. It also decided that the African Capacity for Immediate Response to Crises (ACIRC) should only be dissolved after a thorough assessment of the readiness of the African Standby Force in each region. This will take place at the upcoming Maputo meeting of the Chiefs of Staff.

The President of Liberia, President Ellen Johnson Sirleaf presented the report of the High-Level Committee on the Post-2015 Development Agenda. President Sirleaf noted that the thorough preparation made in forging a common position had enabled Africa to negotiate in a coherent manner and so influence the outcome of the Sustainable Development Goals (SDGs). Indeed, she noted that Africa was the only region that came up with a common position during the negotiation of the SDGs. She said the African Negotiator Group in New

York, as the sole negotiating body of Africa, was able to ensure that African priorities had been incorporated in the SDGs. In particular, she noted that the incorporation of peace and security as a condition for realizing development was incorporated due Africa's coherent and consistent negotiation. She said that "when we are united our voices are heard well." Prime Minister Hailemariam of Ethiopia noted that Africa had provided able leadership in the agreements made at the Third Finance for Development and the Paris Climate Change Conference as well as drawing up of the SDGs. He said "the key lesson to draw from our success is that when we are organized and speak with one voice we are better positioned to influence." Following discussion, the report on the post-2015 development agenda was adopted with acclamation.

The report of the Committee of Ten Heads of State and Government of the African Union (C-10) on the reform of the United Nations Security Council was also presented and adopted with a proposal to hold a closed summit session at the next AU Assembly in June. President Abdel Fattah El-Sisi of Egypt presented the report of the Committee of African Heads of State and Government on Climate Change (CAHOSSC). He noted that, despite the Committee's challenge in taking up the concerns of developed and developing countries equally, important gains were made in pushing for the interests of Africa. In particular, he noted that the CHAOSSC was able to come up with the African Adaptation and Mitigation Initiative and the African Renewable Energy Initiative. He also presented the renewed commitment to find new sources of finance for adaption and mitigation of African countries and to uphold the 100 billion dollar commitment through the Green Climate Fund and other multilateral funds. He noted that the African Renewable Energy Initiative was supported by both the G-20 and the G-7 with pledges to finance it to the tune of 10 billion dollars. Prime Minister Hailemariam noted that the implementation of the Paris Agreement had significant implications for the unity and solidarity of Africa, given the continent's vulnerability to climate change. The report of CHAOSSC was also adopted.

Other reports adopted unanimously included the report of the Open-ended Committee on the International Criminal Court (ICC). The Assembly expressed the unjust relations of the ICC and Africa and the need to rectify this with one voice. **The Assembly also endorsed Ethiopia's candidature, announced last year, for a non-permanent seat in the UN Security Council for 2017-2018.** The announcement flagged up Ethiopia's renewed commitment to middle power diplomacy and its ambition to actively prosecute its regional and global policy agenda. The Assembly also unanimously endorsed the Executive Council's decision on the candidature of Ethiopia's Foreign Minister, **Dr Tedros Adhanom, for the election of the post of Director General of the World Health Organization** scheduled for May 2017. The election of the post of the Director General WHO will be held during the 70th session of the WHO Assembly in June 2017. The Assembly adopted decisions on items proposed by member states and on Commission Governance, Democracy and Elections in Africa; on the Election of the fifteen members of the Peace and Security Council; on the election of one member of the African Committee of Experts on the Rights and Welfare of the Child; on the streamlining of the AU Summit and its work methods; on alternative sources of financing; as well as Declarations on the Status of Palestine; on the Unilateral Sanction of the US against the Sudan; on US-Cuba Relations. The reports of NEPAD and the APRM were also adopted; and the Assembly passed a decision to hold the next Summit in Rwanda, Kigali.

.... the NEPAD Heads of State and Government Orientation Committee session

The 34th Session of the New Partnership for Africa's Development (NEPAD) Heads of State and Government Orientation Committee (HSGOC) took place on Friday last week (January 29) the day before the 26th Ordinary Session of the African Union Heads of State and Government. The theme of the NEPAD meeting was "NEPAD's role in the implementation of Agenda 2063 with a particular focus on Youth and Skills Development". The NEPAD Session also prioritized discussions on specific substantive agenda issues. These were an "Overview of the 2015 Results-based Performance Report of the NEPAD Agency"; "Progress on the NEPAD Presidential Infrastructure Championship Initiative (PICI)"; "Skills Development, Youth Unemployment and Migration"; and "Africa's Global Partnership." The Session was attended by high-level participants including HSGOC Heads of State and Government, representatives of Regional Economic Communities, members of the NEPAD Steering Committee; the Chief Executive Officer of the NEPAD Planning and Coordinating Agency (NPCA); the Chairperson and Members of the Panel of Eminent Persons of the African Peer Review Mechanism (APRM); the Under-Secretary-General and Executive Secretary of the UN Economic Commission for Africa (UNECA); AU Commissioners; the President of the African Development Bank (AfDB) Group; and other stakeholders and partner institutions.

In its meeting, NEPAD received and commended the report of the Chairperson of HSGOC, President Macky Sall of Senegal. It reaffirmed the continued relevance and uniqueness of its vision, and the sector priorities and core values enshrined in NEPAD as the flagship program of the African Union and as a shared vision for the advanced regional, political and economic integration for the economic emancipation of the African people. The Assembly among its decision endorsed the implementation of key regional and continental programs and projects as reflected in the NEPAD Agency Results-based Performance Report for the year 2015. It specifically noted the progress on African Science Technology and Innovation Indicators (ASTII); the African Medicines Regulatory Harmonization Program (AMRH); NEPAD Agency's contribution to the fight against Ebola Virus Disease; Strategic Engagements on Natural Resource Governance; Technical Support to Africa's Participation in the Global Climate Change Negotiations; Technical Support to Regional Economic Communities (RECs); National Agriculture and Food Security Investment Plans (NAFSIPs); National Gender Climate Change Agriculture Programs and Capacity Development for Women in Agriculture under CAADP; and Institutional Development Support to member states and RECs under the Capacity Development Strategic Framework (CDSF).

The Session in its report also appreciated the progress recorded in the Rural Futures Program. This promotes a multi-sectoral approach for rural transformation by creating an enabling environment through people-centred development based on equity and inclusiveness. It calls for member states to support the Rural Futures Program as it accelerates rural transformation and provides opportunities for youth employment. The progress made in the development of the NEPAD Policy Framework on Youth Employment in Africa was also noted by the Assembly. The Session took note of the importance of the African Rural Development Forum (ARDF) as a platform to engage on dialogue for inclusive development and rural transformation as well as on south-south cooperation. This is due to be held in the second half of 2016. NEPAD has requested full support and participation in the Forum from African Member States, the UN Food and Agricultural organization (FAO), the International Fund for Agricultural Development (IFAD) and other development partners.

The report also noted the NEPAD partnership with the Organization for Economic Co-operation and Development (OECD) and the Deutsche Gesellschaft für Internationale

Zusammenarbeit (GIZ) on the G7 CONNEX Initiative. This is an initiative on Strengthening Assistance for Complex Contract Negotiations (CONNEX) to provide developing country partners with extended and concrete expertise for negotiating complex commercial contracts, focusing initially on the extractives sector, and working with existing fora and facilities to avoid duplication. The report requested that the partnership strengthen knowledge generation and exchange and capacity development for African countries and AU institutions, particularly with NEPAD.

The 34th NEPAD Assembly appreciated the support extended to African Union Member States and Regional Economic Communities under the NEPAD Climate Change Fund. It reaffirmed its support to the NEPAD Planning and Coordinating Agency to seek accreditation to the Green Climate Fund as a Regional Implementing Entity. It also called on development partners and member states to contribute financially to the NEPAD Climate Change Fund, the report of the Session stated.

HSGOC commended the effective collaboration between the NEPAD Agency, the African Union Commission, the African Development Bank and the UN Economic Commission for Africa (UNECA) in hosting the African pavilion at the 21st Conference of Parties (COP 21) in Paris. It noted that the NEPAD Agency continued to provide technical support to member states in implementing and monitoring the outcomes of the Paris Climate Agreement. Within the framework of the African Resilient Landscape Initiative (ARLI) and the African Landscape and Forests Restoration Initiative (AFR100), the report also noted the commitment of the African countries and development partners to bring 100 million hectares of degraded and deforested land under restoration in Africa by 2030, to improve soil fertility and food security, improve access to clean water, combat desertification, increase biodiversity and habitat, create green jobs, bolster livelihood diversification and economic growth. The report, along with these decisions, also endorsed other substantive agendas including those related to and addressing Africa's global partnership.

The IGAD Council of Ministers considers South Sudan

The 55th Extraordinary session of the IGAD Council of Ministers, chaired by Ethiopia's Foreign Minister, Dr Tedros Adhanom, was held in Addis Ababa at the weekend (January 30-31) on the margins of the AU Summit. The Foreign Ministers of Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan and attended as did AU representatives and the Executive Secretary of IGAD. The focus of the meeting was the situation in South Sudan and Somalia.

The Council was briefed by South Sudan's Foreign Minister and Former Botswana President Festus Gontebanye Mogae, the Chairperson of the Joint Monitoring and Evaluation Commission, before the detailed discussions and decisions. In its final communiqué the Council welcomed the commencement of the work of the Joint Monitoring and Evaluation Commission (JMEC), the Ceasefire and Transitional Security Arrangement Monitoring Mechanism (CTSAMM), the National Constitutional Amendment Committee (NCAC) and the Joint Military Ceasefire Commission (JMCC) as well as the agreement between the Parties on the selection of ministerial portfolios and the Parties' continued compliance with the Permanent Ceasefire in most parts of greater Upper Nile. However, it also noted the "limited progress to date in most aspects of the implementation of the Agreement on the Resolution of the Conflict in the Republic of South Sudan (ARCRSS). It expressed concern at the ongoing violence in Western Equatoria and Western Bahr el Ghazal, and demands that the Parties take all necessary actions to ensure that the Permanent Ceasefire is fully respected.

It also underlined that it was appalled by the deterioration in the humanitarian situation in South Sudan, and demanded immediate action by the Parties to ensure unconditional humanitarian access across the country to avert further crisis and tragedy.

The Council said it was “concerned” by the recent decision of the Government of South Sudan to implement the October 2 Presidential Decree on the creation of 28 new states. It said firmly “that such action is inconsistent with the terms of the Agreement on the Resolution of the Conflict. At the same time the Council said that this should not delay the formation of the Transitional Government of National Unity. It urged the parties to form this rapidly so there could be dialogue on the number of states, In this connection, the Council also urged that all parties should participate in the JMEC and called on the South Sudan Government to facilitate “unimpeded participation of all Parties” in these institutions, including in the Transitional National Legislative Assembly, as provided for in the Agreement on the Resolution of the Conflict.

IGAD also demanded the full and unconditional implementation of the Agreement by the Parties, and called on the Parties to immediately implement, the first phase of the Transitional Security Arrangements for Juba no later than the first week of February. This would then provide for the establishment, without further delay, of the Transitional Government of National Unity (TGoNU). In the absence of agreement on the creation of new states, it also urged the Parties, after forming the TGoNU at national level, to suspend further action on implementing the operationalization of new states until an inclusive, participatory National Boundary Commission comprising all Parties to ARCSS could review the proposed states and their boundaries. It suggested this process should last a month, and said that as there were still outstanding disputes at the end of the boundary commission review process, the Parties should revert to the provisions of the Agreement.

The Council called on the Parties to incorporate the Agreement into the transitional constitution as signed, and confirmed that the Government could be formed on the basis of the Agreement to Resolve the Conflict in the Republic of South Sudan, and the provisions which render it supreme to the constitution. It also called on the African Union Peace and Security Council and the United Nations Security Council to affirm their previous commitments to supporting the JMEC and the Agreement, including the willingness to support consequences should the Parties fail or refuse to implement the Agreement. It asked those bodies to review progress in implementation within two weeks of the meeting. The Council did not spell out any details of the possible action if progress was insufficient.

Following the IGAD Council of Minister’s Meeting, the South Sudan Government said on Monday (February 1) that IGAD’s call to form a Transitional Government of National Unity with the opposition factions without waiting for a constitution was a welcome decision. The Minister of Information, Michael Makuei Lueth, said the government was in full agreement with the idea of a boundaries’ commission, adding that that was “actually what we have been working for.” He said on Monday that “the IGAD communiqué is consistent with our position;” however, he also repeated that the expansion to 28 states was a popular demand of the people and could not be revoked. He said: “The order establishing the 28 states has already provided for establishment of boundaries committee and this boundaries committee is the body which is supposed to address any border issue.”

The leadership of the opposition Sudan People’s Liberation Movement (SPLM-IO) also welcomed the IGAD communiqué, but it stressed the suspension of the 28 states and the

forming of a transitional unity government. In a statement on Tuesday (February 2), it said political decisions made by President Kiir's government outside the peace agreement were only proposals, that had no legal binding on the constitution and the peace deal agreed by all parties in August last year. James Gatdet Dak, official spokesman of the SPLM-IO said: "The leadership of SPLM/SPLA commended the decision which calls for suspension of the 28 states. The parties should abide by the peace agreement and form a Transitional Government of National Unity in accordance with the provisions of the Agreement." He said since the current constitution only recognizes 10 states, also stipulated in the peace agreement, there is no reason not to incorporate the provisions of the peace deal and pass a new constitution as the basis for formation of a new unity government. He added that the decision to suspend the 28 states implied that the 10 states which have been in the constitution and in the agreement should prevail until whenever in the future consensual change might take place on the number of the states. He pointed out that the SPLM-IO had a policy which suggested creating 21 states but added that it didn't want to impose it and violate the agreement. "We keep it as our proposal to be tabled before the other parties to the agreement at an appropriate time," he said.

IGAD's statement echoed the previous statement by the Joint Monitoring and Evaluation Commission concerning the 28 states. Festus Mogae, Chairperson of the Commission, described the creation of 28 states as a "political" and not "legal" matter, urging the parties to reach a consensus on the "political matter." It urged the parties to form a unity government at the national level and delay formation of state governments until they reached a consensus on the number of states. Prior to the AU Summit, both sides, despite the mounting regional and global pressure to break the deadlock, were still failing to make any progress in setting up a Transitional Government of National Unity. President Kiir's declaration of the creation of 28 states appeared to be one of the main causes of problems. SPLM-IO leaders stressed that the Agreement for the Resolution of the Conflict was signed on the basis of 10 states and if there was a need to increase the number then this would have to be done with participation of the citizens or in the constitution. Government officials accused the SPLM-IO delegates of "frustrating" the efforts of the President because of their "intransigence." One official was quoted as saying: "It has to be made clear that the cancellation of 28 states as Riek Machar wishes will never happen. It is better for heaven and earth to end than for the Establishment Order to be revoked."

A Monitoring and Evaluation Commission (JMEC) meeting was held on Tuesday this week (February 2), and the South Sudan Minister of information said afterwards that there was an agreement to form the Transitional Government. He said the meeting had discussed the IGAD communiqué and adopted it as the best option for the way forward and as a roadmap for the implementation of the agreement and the establishment of the Transitional Government of National Unity. Mr Lueth also said there was agreement over the deployment of about 3,000 components of the joint police and military forces from the opposition faction. This would include 1,500 police for Juba town and another 1,200 for the greater Upper Nile, as well as another 1,410 security forces. He said these should arrive as soon as possible so the Transitional Government of National Unity would be established.

Meanwhile, a UN Panel of Experts, in a report issued last week, recommended that both South Sudan's President Salva Kiir and the SPLM-IO opposition leader, Riek Machar, should face sanctions as forces within their control had committed war crimes and crimes against humanity on civilians. According to the 55-page report from the UN experts, "there is clear and convincing evidence that most of the acts of violence committed during the war,

including the targeting of civilians and violations of international humanitarian law and international human rights law, have been directed by or undertaken with the knowledge of senior individuals at the highest levels of the government and within the opposition." The report also recommended that an arms embargo was a critical element for promoting end to the violence. It accused specific officials in President Kiir's government of "waging an aggressive war involving the targeting of civilians and extensive destruction of communities." It also said Machar "continued to seek funding and weapons to prosecute the war and to further his personal political ambitions at the expense of peace."

The report said the long-term implications of such actions were very threatening. The panel concluded that South Sudanese increasingly perceive the conflict "as a zero-sum struggle where the exclusion of competing tribes from political power and the monopolization of resources for personal gain have become the principal aims of the belligerents." The report recommended actions that, it said, should be taken with immediate effect to prevent this conflict from becoming a generations-long struggle. It urged the United States needs to take immediate steps to move the two warring sides toward peace. The role of the US, according to the report, should include pressing for an immediate arms embargo at the UN Security Council against both sides, beginning consultations on individual sanctions against senior leaders who have command responsibility and who have directed violent acts against civilians, or have had knowledge that such acts have happened under their command, and imposing sanctions if the parties do not comply with their obligations under the agreement. It said the African Union should establish the hybrid tribunal on South Sudan called for in the Agreement, investigate senior leaders responsible for the violence, and support other transitional justice mechanisms as well as the independence and security of civil society.

The UN Panel's report concluded that: "Both sides have continued to seek to arm their forces, even after the signing of the peace agreement in August [2015] and in the face of considerable economic stress. The continued influx of arms has had a devastating impact on civilians and on the overall security situation in the country..." It therefore called for a comprehensive embargo on the supply, sale, transfer or trans-shipment of weapons, ammunition, military vehicles and any other forms of military assistance, including technical and financial assistance, equipment maintenance and training, to South Sudan.

...and plans for an AMISOM Troop-Contributing Countries' Summit....

The other main subject of the IGAD Council of Minister's meeting was Somalia. On Somalia, the Council was briefed by Dr Abdusalam Omer, the Foreign Minister of Somalia and Ambassador Mohamed Abdi Affey, IGAD's Special Envoy for Somalia. Also present was Ambassador Francisco Caetano Jose Madeira, the Representative of the Chairperson of the African Union Commission for Somalia and head of AMISOM.

Following its discussions, the Council noted the Somali Federal Government's commitment to ensuring an inclusive electoral process within the constitutionally mandated timeline this year. It commended the Federal Government and Somalia's regional federal states for their efforts to seek a consensus agreement for the elections, and supported the Federal Government's decision on the model chosen for the 2016 elections. It directed the IGAD Office for Somalia to assist in ensuring an inclusive and consensus-based implementation of this model.

The Council decided to establish an IGAD Ministerial team, composed of the Chair (Ethiopia), the Rapporteur (Kenya), Djibouti and Uganda, to support the Federal Government's engagement with the federal states. This should also assist to ensure the smooth and timely implementation of this electoral model. It urged the Federal Government to rapidly conclude the remaining elements of the process for Hiiraan and Middle Shabelle State formation, as well as the on-going dialogue and reconciliation process between the Galmudug Federal State and Ahlu Sunna Wal Jama'a (ASWJ).

It welcomed the offer made by the Foreign Minister of Djibouti that Djibouti would host a summit-level meeting of the AMISOM Troop-Contributing Countries before the end of the month to consider proposals on how to revitalize the current campaign, secure outstanding force enablers, deliver effective command, control and co-ordination across sectors and establish a sustainable financing framework. It requested the African Union Commission to urgently initiate preparations for this meeting. It recommended that this Summit should be preceded by an African Union Commission expert level meeting bringing together Chiefs of Defense of the Troop-Contributing Countries and the Somalia National Army leadership to develop concrete proposals for adoption by the February Summit.

The Council welcomed the appointment of Donald Kaberuka as the African Union's High Representative for the African Union Peace Fund. It recommended the establishment of an AU, IGAD, UN joint expert working group to develop proposals for sustainable AMISOM financing. The experts' findings and proposals should be presented at the February Summit.

The Council commended the Federal Government of Somalia's decision of last September to fast-track public financial management reform within the security sector. It urged swift implementation and international support to this initiative as AMISOM's exit and the IGAD region's security was directly linked to the ability of the Federal Government of Somalia to predictably finance and manage its security forces and institutions.

More widely, the Council also said it was concerned that the IGAD sub-region was facing a number of interrelated transnational security threats, increased levels of terrorism and radicalization. It recognized that the recent worrying pledges of allegiance to the Islamic State by some Al-Shabaab elements and the regional security implications of the Yemen conflict highlighted the need for effective mechanisms for joint regional security co-operation. It, therefore, recommended the establishment of a Regional Security Co-operation Framework between Somalia and its neighbors, and the establishment of a platform for regular security dialogue and co-ordination to address common security threats and challenges. It decided to hold a Ministerial meeting with relevant IGAD member states to implement this initiative on the side-lines of the February Summit in Djibouti.

In conclusion, the IGAD Council of Ministers reaffirmed the commitment of its members to continue to support state-building and reconciliation in Somalia, expressing appreciation to international partners and organizations that are currently providing financial, material and technical assistance to Somalia. It noted the significant progress made since AMISOM's deployment in 2007 but agreed the recent attacks in Leego, Janaale, El Adde and Mogadishu, showed that overall progress remained fragile. It commended the continued courage and commitment of AMISOM and Somalia National Security Forces and condemned the recent Al Shabaab attacks in El Adde and at the Lido beach in Mogadishu as well as all attacks against the civilian population. It also welcomed the critical role that the IGAD Office of the

Facilitator for Somali Peace and National Reconciliation continued to play in supporting the implementation of the Federal Government's Vision 2016.

UN Secretary-General: at a Donor's Roundtable and visiting drought areas

During his visit to Ethiopia for the AU Assembly of Heads of State and Government, UN Secretary-General, Ban Ki-Moon, also participated in a donor's humanitarian round table on Monday (February 1) where he urged donors gathered in Addis Ababa considered ways to step up assistance for the drought. The Secretary-General called on the international community to stand with the people of Ethiopia in their time of need, as they were facing their worst drought in thirty years. The scale of the emergency was too much for any single Government. "The impact of El Niño is unpredictable, but experts say it is likely to affect food security for the next two years," he stressed. Mr Ban said, "The Government of Ethiopia has shown remarkable leadership in this drought response. It has made the greatest financial contribution, allocating more than **\$381 million** to the crisis so far, noting that the Government-managed Productive Safety Net Program, in partnership with the World Bank, aimed to assist some eight million people with emergency food and cash transfers. The UN had boosted early action with \$25 million from the UN Central Emergency Response Fund in 2015, but more was urgently needed. "Immediate support for Ethiopia will save lives and avoid preventable suffering. Immediate support will also safeguard the impressive development gains that Ethiopia has made over the past years and decades," Mr Ban underlined. Such support would also strengthen Ethiopia's national distribution channels and social support networks, and build resilience for the future.

During the roundtable, the Vice-President of the European Commission, Kristalina Georgieva, said the European Union had mobilized 170 million Euro of emergency support for Ethiopia to tackle the effect of 'El Niño'. This would contribute to the joint effort of bringing life-saving emergency assistance and increasing resilience in Ethiopia, she said. Ms Georgieva added: "The Ethiopian government is making an enormous effort to tackle the impact of one of the worst droughts ever registered. It is showing strong leadership and will to protect its population. And it is also showing remarkable generosity with its open-border policy. The coordinated effort of the government, donors and partners is an example of how a common response can deliver results." At the same time, she noted, "the current situation requires our full attention. The **Ethiopian Humanitarian Requirements Document** shows us that the needs are huge. The future is still unknown, with an unpredictable *belg* season and the potential, dangerous impact of La Niña phenomenon in Ethiopia causing additional drought in the south eastern pastoral areas." Ms Georgieva concluded that "The global scale of El Niño requires global and effective actions. It requires a global and bold response. We have a collective responsibility to act now."

Later, Mr Ban visited one of the drought-hit regions of Ethiopia, and witnessed first-hand efforts to battle the effects of one of the most powerful El Niño phenomena. He was accompanied by Deputy Prime Minister, Demeke Mekonnen, and Ertharin Cousin, Executive Director of the UN World Food Program. Mr Ban visited a health post, a water borehole and a food distribution and cash transfer point in Zway-Dugda District, in Arsi Zone of the Oromiya National Regional State. He said it was "a very moving experience for me as Secretary-General to witness myself how the Ethiopian Government and the United Nations agencies, the World Bank, all humanitarian workers are working together to address difficult challenges." He stressed that it was important that the Government was leading the response and the United Nations was now helping. The Secretary-General said he was impressed with

the humanitarian workers at the small health post where he had seen health workers distributing vaccines, and providing check-ups. It was impressive to see that malnutrition levels had dropped significantly and that people had been saved from malaria. He said that the UN was committed to helping the Ethiopian people overcome the problem, and emphasized that it would be discussed at the forthcoming Humanitarian Conference in Istanbul.

Deputy Prime Minister Demeke described the government's policies which were concentrated on mitigation efforts and overcoming effects of poverty on the national level and providing for drought-resistance across the country, with 70% of the federal budget dedicated to pro-poor development activities. Structures had been set up to provide for effective institutional and program capacity to mitigate adverse effects of drought and other climatic effects and provide for conducting nationwide relief programs, one of which was an effective early warning system. There was a National Drought Coordination Committee, to coordinate emergency relief action, allocating budgets for the purchase of food and non-food items.

USAID Administrator Gayle Smith, who headed the U.S. Delegation to the AU Summit, said at a press conference after the donor roundtable that the El Niño had affected the African continent in particular and no country more dramatically than Ethiopia. She said the difference between this and some other natural disasters in the past was that the government had immediately worked at every level from the top down to respond and provide resources. There was a foundation of resilience, of safety nets and progress in agricultural development that would help Ethiopia respond to emergency needs without losing the gains that have been made in development. The challenge was that funding is not where it needs to be and we are up against a very tight timeline. The US had already provided over \$400 million in assistance since October 2014, and was now giving a further \$97 million to expand the reach of food programs designed to help the most vulnerable. Ms Smith said that the emergency assistance that is needed now is to assist the most vulnerable, poorest people in this country who don't have anything to fall back on, but also to make sure that they are able to have in hand the seeds they need to plant so that they are not dependent again next season. Time was therefore very important. She said that prior to donors' roundtable on Monday morning, the appeal had been about 46% funded. Other donors are in the process of making decisions, but, she added, 75% isn't good enough because that would still leave a lot of people in need, kids who are going to be malnourished, and farmers who wouldn't be able to do enough planting. Ms Smith said USAID would be constantly looking at what more it could do.

The 10th Biennial US-Africa Business Summit held in Addis Ababa....

The U.S-Africa Business Summit opened on Monday this week (February 1), at the United Nations Conference Center in Addis Ababa and continued for three days with a series of Government-to-Business and Business-to-Business sessions. The opening ceremonies were attended by Prime Minister Hailemariam Dessalegn; Foreign Minister, Dr Tedros Adhanom; the Chairperson of the AU Commission, Dr Nkosazana Dlamini-Zuma; Ethiopia's Ambassador to Washington, Ambassador Girma Biru; the US Ambassador to Ethiopia, Ambassador Patricia M. Haslach; Mr Solomon Afework, President of the Ethiopian Chamber of Commerce and Sectoral Association; and Mr Stephen Hayes, President and CEO of the US Corporate Council on Africa, as well as African leaders and business and senior government representatives. This was the first time this event was co-hosted by the African Union and the Ethiopian Government together with an American business association. The 2016 US-Africa

Summit was also sponsored by a number of leading American and African businesses including: Chevron, Exxon-Mobil, Symbion Power, Acrow Bridge, AGCO Corporation, AstraZeneca, Gilead Sciences, Petrolin Group, USAID, Zenith Bank, Boeing Company, Development Finance International, John Deere, Microsoft, Mota-Engil Africa, Varian Medical Systems, Ford Motor Company and International Green Structures. It provided an excellent opportunity for US and African corporations to look at each other's new business opportunities.

Ms Zain Verjee, President of the Zain Verjee Group, gave welcoming remarks, noting that Africa, and particularly Ethiopia, was a cradle of civilization from where the legendary Queen of Sheba travelled to Jerusalem long before Cleopatra and Helen of Troy, which she said demonstrated how much Ethiopia had contributed to the world. Underlining the fact that Ethiopia, along with Rwanda and Mauritius, was one of the most resilient economies in Africa, she stressed that the business representatives present were meeting in "Addis Ababa, the land of new opportunity in a country of one of the fastest growing economies at a time of global economic commotion." Ms Zain Verjee said the best thing for doing business in Africa was "to be in Africa." Paul Hinks, Chairman of the Corporate Council on Africa, noted that Africa presented a huge potential for various investors and it was high time to invest in Africa.

In a key note address, Prime Minister Hailemariam Dessalegn commended the initiative of the Corporate Council on Africa for bringing together such an impressive number of distinguished business representatives, CEOs, government officials, entrepreneurs and investors, decision-makers and managers. He welcomed those who had "come from the United States, from Africa, and beyond, to take a closer look at the business and investment opportunities available in Africa, and between Africa and the United States." The Prime Minister said the Summit was being held at a time when US investment flows to Africa and Ethiopia were beginning to show promising trends and he added that this is a real opportunity to help investors and business communities discover the potential and the prospects of investment in Africa. He affirmed that Ethiopia believed the Summit would have a real impact in generating interest among business communities, and not just in Africa and America, but also in other business communities around the world, as well as for investment and business in Africa. The Prime Minister emphasized: "Today, Africa is rising and its future is bright, very bright. Its economy has been growing rapidly for the last decade, and it is among the fastest growing economies in the world. Seven of the fastest growing economies of the last decade have been in sub-Saharan Africa."

The Prime Minister also underlined that the United States has been a central and longstanding partner of Africa in political, social and economic development for many years. Throughout those years, the US had provided Africa with generous amounts of humanitarian and development assistance. The whole continent was deeply grateful. Nevertheless, the Prime Minister went on: "I have to say that U.S. private sector engagement in Africa has been rather more limited. U.S. business and investment in Africa is simply not reaching the levels it could, or it should. Indeed, the current U.S. investment in Africa represents no more than a small percentage of total U.S. global investment. To enable Africa grow faster than ever before, the private sectors and various stakeholders need to work hard to increase trade and investment between the United States and Africa."

Prime Minister Hailemariam Dessalegn concluded by highlighting Ethiopia's desire to attract more investment from the US, particularly in energy development and manufacturing. "We

have investment friendly laws and investment protection mechanisms, “he said, and “U.S. companies are encouraged to invest in Ethiopia in renewable energy and light manufacturing sectors.” The Prime Minister pledged to offer all the necessary support for U.S. investors interested to invest in Ethiopia: “I can assure you my government is fully committed to assisting the US business community in every way possible in Ethiopia. I believe we can successfully work for the mutual benefit of both our countries,” adding, “we do have a great deal to offer.”

The Summit concluded on Thursday (February 4) following deliberations on the “African Industrial Revolution.” In closing remarks, Reed Kramer, the C.E.O of the African Media Group and Moderator of the US-Africa Closing Ceremony, said the African economic renaissance, which had been attributed, in part, to the development of its natural resources also benefited from the dynamism of its entrepreneurs who found solutions to local issues. Mr Kramer noted that this growing prospect of economic development in Africa was expressed through efforts that provided services for a growing middle class and created a viable network that facilitated communications and helped introduce technologies, reduce construction cost and time, and provide financing to make ideas reality.

...and a “Doing Business in Ethiopia” Forum

On the margins of the US-Africa Business Summit 2016, a “Doing Business in Ethiopia” Forum was also launched on Tuesday (February 2). The Forum was also co-organized by the US Corporate Council on Africa and Ethiopia’s Ministry of Foreign Affairs, and Foreign Minister Dr Tedros spoke at its opening. He expressed his appreciation to the Corporate Council on Africa for staging a platform to discuss “mutual business opportunities between Ethiopia and the rest of the world” and thanked the US Government for its continued commitment to strengthen economic relations with Africa. It was “a clear demonstration and recognition of the new circumstances that Africa has reoriented its priorities toward sustainable economic development”. In this regard, Dr Tedros said the US-Africa Business Summit generally and the “Doing Business in Ethiopia” Forum would further consolidate the “long standing historic and multifaceted relations between Africa and the United States”. The Minister noted that Africa was registering good macroeconomic stability, improved governance and a better business climate, growing consumer markets, and a greatly expanding number of dynamic youth. It currently offered ample opportunities for increased trade and investment links with the United States. “Africa”, he said, “is a continent whose time has come, and while the opportunities are almost self-evident and tangible, they are there primarily for the bold, the agile and the swift. Africa has achieved rapid growth, becoming the second-fastest growing region after Asia, and attracting accelerated flows of investment from around the world”.

Dr Tedros pointed out that the United States’ foreign direct investment flow to Africa, increased from time to time. Significant numbers of American Companies had expanded their presence in the continent during the last five years. In Ethiopia, the Minister noted, this trend had certainly been on the rise, Over 60 companies made pre-investment visits in 2014/15 alone and major US companies were working closely in various investment areas. He emphasized that the AGOA platform was “contributing very significantly for the impressive economic growth in many African countries. ‘Made in Africa’ products are accessing the big market in the United States and they are becoming more competitive having the advantage of duty exemption”. This, in turn, he said had become a considerable motivating factor for businesses to consider investing in Africa. Ethiopia, he pointed out, had now started to make

better use of this market access than ever before, but nevertheless much remained to be done to inject more investment ventures to bridge the trade imbalance.

Reflecting on relations between Ethiopia and the United States, Dr Tedros said the two countries had enjoyed warm government-to-government and people-to-people relations, relations which had transcended the passage of time for more than a century. The two countries shared many issues of common concern at regional and global level. At the regional level, Dr Tedros noted that both Ethiopia and the US wanted to see a stable and secure environment in the Horn of Africa, and both were keenly aware of the importance of working together for the promotion of peace and stability in the sub-region. At a global level, the Minister said Ethiopia and the US shared a common interest in meeting the Sustainable Development Goals and dealing with the deleterious effects of climate change. Dr Tedros stressed: “Ethiopia deeply treasures its partnership with the United States and looks forward to continuing to strengthen the ties of friendship that unite our two great nations and their peoples”.

The Minister, noting that Ethiopia was one of the fastest non-oil producing economies, the fourth largest destination of Foreign Direct Investment in Africa, a country with double-digit growth over the last 12 years and one with the right development trajectory, said, “Ethiopia today has a new face; it is a great place to invest and do business”. This development, the Minister said had come about as a result of the united efforts of the Ethiopian people. Dr Tedros said: “my government is persistently seeking to employ policies and strategies for positioning Ethiopia as an attractive destination for productive investors; it has put in place appropriate institutional frameworks and competitive incentives to encourage foreign investment inflows”. With its firm intent to become one of the top nations for doing business in Africa, Ethiopia had also put in place “important social overhead projects” to create and encourage productive human capital and the necessary physical infrastructure for development. As a result the country was now in the process of a series of major development programs which had already resulted in the massive expansion of installed electricity capacity and distribution, new road and rail networks, greatly expanded water supplies, and telecommunication services. Infrastructure ambitions were even larger.

Dr Tedros noted that Ethiopia was also committed to building a green non-carbon economy by 2025, adding that the country was investing in clean, modern and efficient technologies. This meant, he said that Ethiopia was “an ideal partner for companies whose investments are aligned to our green economic strategy”. And this was not just confined to Ethiopia as the set up of economic conditions for regional integration was a key element for foreign companies to do business in the sub-region. The Minister noted that Ethiopia was taking concrete actions to promote regional integration by linking the region with massive infrastructure development. He made it clear that Ethiopia was also working hard to develop industrial zones as one of the key strategies to facilitate and support foreign and domestic private-sector partners and to enhance exports. Ethiopia, he told the Forum, has “many things that you need to look for in taking a decision about where to invest”. These included a conducive business environment, political stability, sound economic policies, macro-economic stability, abundant natural resources, a large and trainable work force, low-cost energy, a sizeable and captive market, and one of the cleanest business climates. He said: “We look forward to increased investments because the opportunities are many, the returns are good, protection is guaranteed and incentives are really competitive. We also look forward to increasing trade and tourism between Ethiopia and USA; my government stands ready to facilitate your efforts.”

Other speakers at the “Doing Business in Ethiopia” Forum included Mr Stephen Hayes, President and CEO of the US Corporate Council on Africa. Touching upon the historic relations between Ethiopia and the United States, he noted the enormous potential and greater business interests between the two countries. He also announced the establishment of a Joint Working Group designed to facilitate and ease the prospect of investment and business dealings. Others who spoke at the Forum included Ambassador Patricia Haslach, US Ambassador to Ethiopia, Ambassador Girma Biru, Ethiopian Ambassador to the US, and Mr Solomon Afework, President of the Ethiopian Chamber of Commerce and Sectoral Association.

Following the Opening Session, several key presentations were made. Mr Zemedeneh Negatu, Managing Partner, Ernst and Young-Ethiopia, presented a paper on “Investing in Ethiopia-Growth Driven by Fundamentals”; Mr Fistum Arega, Director General, Ethiopian Investment Commission spoke on the business and investment opportunities in Ethiopia; Brian Herlihy, Founder and CEO of BlackRhino shared his company’s experiences in investing in Ethiopia; and Mr Kimiaki Jin, Representative of the Japan International cooperation Agency (JICA) presented a working paper on “Access to New Markets through champion product Approach”.