

A Week in the Horn

6th June 2014

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News in brief

African Union

Prime Minister Hailemariam Desalegn opened the two-day US-Africa Energy Ministerial in Addis Ababa on Tuesday (June 3) held under the theme “Catalyzing Sustainable Energy Growth in Africa. (See article)

The first African Union campaign to end child marriage was launched on Thursday last week (May 29) in Addis Ababa. Martin Mogwanja, Deputy Executive Director of UNICEF, said it was “an Africa-wide movement of leaders and organizations collectively saying ‘No’ to Child Marriage” which affects 17 million girls across Africa.

Ethiopia

The International Olympic Committee (IOC) President, Thomas Bach, visited Ethiopia on Monday (June 2), meeting President Mulatu Teshome and discussing enhanced collaboration between the Ethiopian government and the Olympic Movement. He also met Foreign Minister Dr Tedros and many of the Olympic athletes, including Haile Gebreselassie.

Dewano Kedir, State Minister for Foreign Affairs, met with the representatives of a South African business delegation led by Sandra Pires, Head of Stakeholder Relations at NEPAD Business Foundation on Thursday (May 5).

A three-day Ethio-South Africa Investment and Business Forum opened on Tuesday (June 3) in Addis Ababa with representatives of over 25 South African companies involved in education, health, infrastructure, manufacturing and agro-processing taking part in the discussions on possible cooperation in trade and investment. (See article)

The Ethio-Turkey Trade and Investment Forum was held on Friday (May 30) in Addis Ababa with the Ethiopian Chamber of Commerce and Sectoral Associations and the Confederation of Businessmen and Industrialists of Turkey signing an MoU. (See article)

Ethiopia has sent aid materials amounting to a value of 12 million Ethiopian Birr to support the rehabilitation of flood victims in Burundi where close to 70 people lost their lives and nearly 20,000 were displaced.

Ethiopian Airport Enterprise has announced plans to commence the building of five new airports around the country at Shire (Tigray Regional State), Hawassa and Jinka (both in the Southern Regional State), Semera in Afar Regional State and Robe in Oromia Regional State.

Karlheinz Böhm, Austrian actor, honorary Ethiopian citizen and human rights activist who founded the humanitarian organization Menschen für Menschen (People for People), which has supported many development projects in Ethiopia, died at the age of 86 on Thursday (May 29) in Salzburg, Austria.

Djibouti

The Administrator of the United States Agency for International Development (USAID), Rajiv Shah, on a visit to Djibouti this week announced on Tuesday (June 3) that USAID would be investing in programs to support the development of Djibouti's labor force and energy sector.

Eritrea

Foreign Minister Osman Saleh met Mr Mikhail Bogdanov, Deputy Foreign Minister of Russia, on Tuesday (June 2) in Moscow and delivered a message from President Isaias Afewerki to President Vladimir Putin. The Eritrean delegation included the PFDJ's Head of Political Affairs, Yemane Gebreab.

Kenya

Following increased attacks from Somalia, the Kenyan authorities have said they plan to reopen police posts in Mandera County closed in the last year because of a shortage of personnel. Religious leaders and clan elders have been involved in talks to improve security and police camps near the border will now have a minimum of 25 officers.

Somalia

The first anniversary of the UN Office for Somalia was celebrated at the weekend in the presence of Somali President, Hassan Sheikh Mohamud, Deputy Prime Minister, Ridwan Hirsi Mohamed and the Special Representative of the Secretary General, Nicholas Kay. (See article)

US Under Secretary of State for Political Affairs, Wendy Sherman, said on Tuesday (June 3) that there were hopeful signs of improvement in security and economic conditions in Somalia and the first U.S. ambassador to Somalia in more than two decades will soon be named.

The Chief of Defense Staff (CDS) of Republic of Sierra Leone Armed Forces, Brigadier General Samuel Omar Williams arrived in Mogadishu for his first visit to Somalia on Saturday (May 31). Sierra Leone's contingent to AMISOM is based in Kismayo.

The United Nations Food and Agricultural Organization on Monday (June 2) launched an urgent appeal for \$18 million for rapid intervention to prevent the food security situation in Somalia deteriorating further. It said there were 860,000 people in need of humanitarian assistance, including 200,000 malnourished children under five.

A Somali army and AMISOM attack on Al-Shabaab bases at Caato, in Bakool region, not far from the border with Ethiopia left over 70 Al-Shabaab fighters dead on Sunday (June 1). The attack followed an attempted Al-Shabaab attack on Ethiopian border posts a few days earlier.

South Sudan

UN Secretary-General, Ban ki-Moon telephoned South Sudan President, Salva Kiir, and rebel leader, Riek Machar, on Wednesday (June 4) to urge them to immediately end the fighting in South Sudan and abide by the recently signed ceasefire agreements. (See article)

Three battalions of IGAD forces from Ethiopia, Kenya and Rwanda for the UN Mission in South Sudan are expected to be deployed under the command of an Ethiopian General as soon as the verification process is finalized by IGAD member countries. (See article)

UN Under Secretary General for Peacekeeping, Herve Ladsous, confirmed last week that China had agreed to send “an infantry battalion of 850 soldiers to reinforce the United Nations peacekeeping mission in South Sudan within the next few months.

A three-day multi-party symposium involving the government, the rebels and religious and civil society groups on South Sudan is due to open on Friday (June 6) at the AU headquarters in Addis Ababa. It aims to launch an “inclusive phase of the mediation process based on a consensual, round table, multi-party dialogue.”

South Sudan’s Ministry of Petroleum and Mining says the Government received US\$3.5billion from crude oil sales between June 2013 and May 2014. US\$857 million went to the Government of Sudan in pipeline charges and US\$788 million for loan settlements. Oil production was down to 165,000 barrels per day from the 245,000 bpd before the crisis started in December.

Sudan

Sudan President Omer Al-Bashir officially resumed his duties on Tuesday (June 3), three weeks after undergoing knee surgery at the Royal Care hospital in Khartoum.

The Islamic Development Bank (IDB) on Wednesday (June 4) signed agreements with the Sudan to fund three projects worth US\$100 million, including \$50 million for construction of an electricity carrier line between Babanousa and Adliya and another \$50 million to finance the Delta Toker agricultural project in Eastern Sudan as part of the Government’s previous pledges to the Eastern Sudan Reconstruction and Development Fund.

US-Africa Energy Ministerial convened in Addis Ababa

The US-Africa Energy Ministerial was held this week (June 3- 4) in Addis Ababa. The Conference had the theme of “Catalyzing Sustainable Energy Growth in Africa” and focused on issues connected with the identification of strategies, technologies and practices throughout Africa and the US for the expansion of clean energy use, adoption and improvement of energy efficiency, facilitation of financial and technical capacity building partnerships among governments, companies and academia. It also exchanged views on the progress of President Obama’s Power Africa initiative as well as exploring cooperative ways to finance energy infrastructure projects across Africa. The Conference was jointly organized by the Ethiopian Government and the US Administration in collaboration with the African Union Commission. It was attended by Prime Minister Hailemariam Desalegn of Ethiopia; Ethiopia’s Minister of Water, Irrigation and Energy Alemayehu Tegenu; US Secretary of Energy, Dr Ernest Moniz; and AU Commissioner for Infrastructure and Energy, Dr Elham Ibrahim, as well as ministers from around the continent, high-level government officials from the US and Africa, and representatives from public and private sectors, academia, civil societies and international organizations.

In his welcoming remarks, Prime Minister Hailemariam noted that energy was intertwined with inclusive and sustainable development. This, he said, entailed the mutual relationship of economic development and the transformation of energy infrastructure. He noted that Ethiopia, recognizing the nexus of economic growth and energy, had defined energy as a catalyst to the development of all spheres of economic activities including agriculture, industry and services. The Prime Minister said that despite Africa’s huge untapped potential for generating clean energy, sub-Saharan Africa still had only limited access to modern energy services. Reasons

behind this low access to modern energy services including the “paralyzing and paternalistic ideology with respect to the role of the state”, the private sector’s reluctance to support long-term energy investments in Africa, and financial, technical and institutional capacity constraints and hurdles as well as the incapacity of African governments to create favorable conditions to attract long-term energy investment. He said Ethiopia attached special importance to the development of clean and renewable energy sources to make the way forward towards a more prosperous, sustainable and efficient future. He explained that the development of clean and renewable energy sources would help Ethiopia to harness comprehensively its enormous potentials of geothermal power, hydropower, wind farming, biomass and solar energy, and significantly reduce the financial expenditure on fossil fuel imports. It would also allow it to take adaptation and mitigation measures to tackle the adverse repercussions of climate change and help slow the warming of the planet. He added that Ethiopia’s innovative policies and investment measures to develop renewable energy sources would add momentum to efforts to reduce greenhouse gas emissions and tackle climate change.

The Prime Minister pointed out that Ethiopia’s energy policy was directed towards the urgent need to focus on energy for productive uses in order to improve the lives of millions of households. He said Ethiopia believed that “energy is not just a service; it is a strategic one,” underlining that the “state has an interest in ensuring that there is [an] adequate, affordable and reliable supply of energy services” **deploying modern energy services as a development instrument rather than as “an ordinary commercial service.”** He emphasized that Ethiopia particularly valued its energy resources as “**a catalyst for regional integration**” and for the concept of a **well-connected Africa**, noting that it was determined to live [out] its promises to make energy resources a locomotive for the integration, unity and solidarity of Africa. He explained that Ethiopia had already become an epicenter for the energy market for Eastern to Southern Africa: **Sudan and Djibouti were already connected to Ethiopia through a regional network of power links and Kenya was in the final stages of power purchase agreements with Ethiopia and had started installation of transmission lines to Nairobi.** Ethiopia’s integrative regional electricity networks already extend beyond Eastern Africa as far as Yemen and South Africa.

Prime Minister Hailemariam stressed that the presence of the **developmental state** in the sphere of energy and power had become necessary in order to provide affordable and reliable power for the development of manufacturing and the transport of goods and capital to and from the ports. It offered innovative legislative and regulatory frameworks to engage the private sector in energy as well as allowing it to be competitive in the global economic field. Affirming the importance of public-private partnership and the contribution of the private sector in the development of energy infrastructure as well as the perceived risks related to long-term energy investments on the continent, he expressed the hope that “**the role of the state will be scaled back when the private sector proves fit for the task.**” He urged African countries to work to ease risks for investors and encourage private companies to advance the development of the energy sector. With regard to the participation of private sector, he said, Ethiopia had robust ties with private companies participating in engineering and construction services in the energy sector. It had also recently concluded agreement with a private company for production of power from geothermal resources. The Prime Minister emphasized that the Power Africa initiative, the US-Africa cooperation framework and the close engagement as well as dialogue between the US Government and Africa over the continent’s energy infrastructure development including financing, restructuring, efficiency, expansion, access, climate change issues and capital build-up were in harmony with Africa’s vision for integrated infrastructure and with the recent Program for Infrastructure Development (PIDA). The Prime Minister thanked the US Department of Energy for its commitment to elevate Africa’s energy infrastructure and services, and underlined his appreciation of President Obama’s recent announcement concerning Green Gas Emission Reduction.

Alemayehu Tegenu, Ethiopia’s Minister of Water, Irrigation and Energy, also briefed the Ministerial on Ethiopia’s commitment to the development of national and regional sustainable, clean and renewable energy production and supply through the diversification of various energy resources as well as implementation of reforestation and afforestation programs. He said that the country had been working with US based companies on environmentally friendly energy sources including power from geothermal, wind and solar energy. He said one testimony to Ethiopia’s devotion to energy development was the projected rise in electricity generation five-fold (from 2000mw to 10,000mw) between 2011 and 2015. He said Ethiopia attached cardinal importance to the expansion of electricity production and the provision of electricity to rural areas. It had succeeded in raising the access rate to rural populations from 41% to 75%. He said Ethiopia was fast-tracking efforts to use

electricity and bio-fuels for transport and domestic energy needs and implementation of adaptation and mitigation measures on climate change. He also stressed that Africa and Ethiopia were ready to mutually cooperate with the US Government, private companies, civil societies and investors to draw benefits from the development of energy infrastructure and services on the continent using the principles of win-win strategies and mutual advancement.

Dr Ernest Moniz, US Secretary of Energy, said America was committed to collaborating with Africa to jointly curb impediments to Africa's energy infrastructure development. He unveiled a new US Government Power Africa sub-initiative called "Beyond the Grid" to "unlock investment and growth for off-grid and small-scale energy solutions" for millions of Africa's households, businesses and public facilities. He noted that the Power Africa initiative had assisted more than 25 small-scale energy projects, adding that Beyond the Grid would facilitate more than US\$1 billion in new private sector investment. He also stated that the US was willing to cooperate with partners to slow the warming of the planet and advance the development and expansion of clean energy technologies. One indicative and vital example of the US administration's cooperation with Africa, he said, was its concrete support to push forward the Corbetti Geothermal Power Plant that would generate up to 1,000 MW in Ethiopia.

The two-day Ministerial featured in-depth discussions, deliberations and recommendations on a wide variety of subjects covering mutually beneficial and collaborative ways to tackle Africa's energy infrastructure development problems and capture the enormous opportunities available on the continent. Overall, the discussions focused most on the development of the continent's energy infrastructure development to eradicate poverty, the integration of African countries in regional power interconnections through inter-state power trading and the creation of enabling conditions for international energy companies to invest in Africa's untapped energy potential. There were a number of plenary sessions covering such themes as Governance as a Catalyst for Investment; Upstream Oil and Gas; US Government and Multilateral Tools for Encouraging Energy Financing; Mini-Grids as a Catalyst for Sustainable Energy Growth; Women and Energy Leadership; Power Africa: Progress To-Date and Path Forward; the Role of Renewable Energy as a Catalyst for Sustainable Energy Growth; and Empowering the Next Generation: Connecting African Nations and the US through Technical Instruction and Exchanges.

At the close of the Ministerial, the urgent need for an integrated approach to the energy sector that would enable African countries to expedite further economic growth and integrate with the competitive global economy was underlined. It was stressed that both Africa and the US must deepen their cooperation and engagement to resolve the power deficit and to develop sustainable access to modern energy services to communities across Africa. It was agreed that African countries should commit themselves to create enabling conditions, including improvement of legal and regulatory frameworks, for private company participation in the energy sector. The Ministerial called on the private sector to scale [up] investments in Africa's untapped energy potential. Beyond the Grid, as a sub-initiative of Power Africa, was welcomed as one of the answers to the challenge of energy development. Innovative public-private partnerships were welcomed as a way to support the growing demands of energy in Africa and fast-track the ongoing economic growth. The Ministerial agreed to work jointly in the fight against climate change, deploying and expanding renewable and clean energy sources across Africa. It was suggested that women should be brought into the frontline of development of energy infrastructure to help attain a sustainable energy future and enhance solutions to inclusive development. Participants agreed the Ministerial conclusions could provide the foundation for more substantial progress in the areas of energy and development in the years ahead.

UN Security Council extends UNMISS Mandate in South Sudan

On May 28, the United Nations Security Council passed a resolution extending the mandate of the United Nations' Mission in South Sudan (UNMISS) for a further six months. UNMISS was originally established in 2011 to help the newly independent country South Sudan. Its objective was to consolidate peace and security, and help establish conditions for development with a view to strengthening the capacity of the Government of South Sudan to govern effectively and democratically and establish good relations with neighbors. However, following the outbreak of conflict on December 15 last year between government forces and forces allied to former vice president Riek Machar, UNMISS was forced to refocus itself on the protection of thousands of civilians. Its

mandate in fact literally became one of trying to restore peace instead of consolidating it. In its eight compounds across South Sudan, UNMISS gave refuge to 85,000 people displaced by the fighting.

Indeed, since the start of the violence, UNMISS has been working on the five major priority areas of: protecting civilians; contributing to the creation of security conditions conducive to the delivery of humanitarian assistance; supporting human rights investigations and reporting on violations; providing support to the IGAD Monitoring and Verification Mechanism, if and when requested and authorized by the Security Council; and protecting United Nations personnel and installations.

The Mission has also been facing challenges of movement restriction due to disputes with the South Sudan Government over government claims that it failed in impartially discharging its mandate. Attacks on civilians inside UNMISS's premises in Bor, and in Bentiu where over four hundred people were killed, in April were tragic episodes that underlined the difficulties UNMISS faced in discharging its mandate of protecting civilians. Following a worsening of the humanitarian situation and the widening spread of conflict to more regions as both sides failed to implement the Cessation of Hostilities Agreements signed in January this year and again on May 9, the United Nations Security Council adopted resolution 2132 on May 24, to increase the number of troops in UNMISS to 12,300.

With these events as a backdrop, the Security Council decided to extend UNMISS for another six months, until November 30, 2014 "under a restructured mandate intended to quell the violence, especially against civilians, and support implementation of the recent Cessation of Hostilities Agreement (May 9), increasing troop and police strength in order to fulfill its terms." The Security Council also made the important decision that UNMISS should protect "civilians under threat of physical violence, irrespective of the source of such violence, within its capacity and areas of deployment, with specific protection for women and children, including through the continued use of the Mission's Child Protection and Women Protection Advisers."

The revised UNMISS mandate also includes deterring violence against civilians, including foreign nationals, allows proactive deployment, active patrolling with particular attention to taking care of displaced civilians, including those in protection sites and refugee camps. In addition, it is now tasked with early warning, monitoring and verification and response duties, maintaining public safety and security of civilians in its premises and offering good-offices in confidence building measures aimed at fostering inter-communal reconciliation. UNMISS's renewed mandate further includes monitoring, investigating, verifying and reporting publicly and regularly on abuses and violations of human rights and violations of international humanitarian law, including those that may amount to war crimes or crimes against humanity. The discharge of this mandate in particular is emphasized in the case of gender based violence, and crimes against women and children. This aspect also includes cooperation and technical support to the African Union's Commission of Inquiry for South Sudan which is investigating human rights' violations.

One of the most important elements in the renewed mandate includes an additional force component "consisting *inter alia* of three battalions, with additional responsibility for protecting IGAD's Monitoring and Verification Mechanism, set out in paragraph 4 (d), as well as implementing the mission's overall mandate." These battalions, amounting to a force of 2,500, are expected to be provided by Ethiopia, Rwanda and Kenya and commanded by an Ethiopian general. They will provide a vital element in ensuring effective oversight of the May 9 Cessation of Hostilities Agreement, providing security for the Monitoring and Verification Teams to discharge their duties. According to Getachew Reda, an adviser to Ethiopia's Prime Minister Hailemariam, the verification process for these troops should be finalized by IGAD member countries shortly, and this will be followed in a matter of days by the deployment of the three additional battalions in UNMISS.

The first anniversary of the UN Office in Somalia (UNSOM)

The United Nations Security Council established the United Nations Assistance Mission in Somalia (UNSOM) under resolution 2039 last year, to replace the United Nations Political Office (UNPOS) which had helped bring about the formation of the Federal Government on August 20, 2012 through the roadmap charted by the Kampala Accord. UNSOM, headed by Special Representative of the Secretary General, Nicholas Kay, was established to "help build the Federal Government's capacity to promote respect for human rights and women's empowerment, promote child protection, prevent conflict-related sexual and gender-based violence, and

strengthen justice institutions.” It was further given the mandate to monitor, help investigate and report to the Council on any abuses or violations of human rights or of international humanitarian law committed in Somalia, or any abuses committed against children or women. In addition, its *raison d’être* was described as being support for “the Federal Government based on the central notion of Somali ownership of the political process.” As expected, before UNSOM’s mandate came to an end on June 3, the UN Security Council extended it for another year, passing the resolution on May 28. The resolution commended the United Nations Assistance Mission in Somalia for its first twelve months of operation, and noted with appreciation its positive impact in supporting the Federal Government of Somalia in the peace and reconciliation process.

Addressing the UN Security Council a little earlier, Nicholas Kay said UNSOM had successfully built up a large UN presence in Somalia over the previous year. He noted that UNSOM had achieved a strong partnership with AMISOM, IGAD and other stakeholders, and had been able to maintain its offices with the deployment of a UN Guard Unit despite attacks from Al-Shabaab which had claimed the lives of two of its staff in attacks in Mogadishu and recently in Galkayo. Mr Kay pointed out that UNSOM had been giving training to the Somali National Army in human rights, international humanitarian law and other human right instruments in discharge of its mandate, and it had provided training on the rights of women and children. In addition it had supported the promulgation of the Action Plan to End Sexual Violence in Conflict in collaboration with the Somali Ministry of Women and Social Development, successfully bringing about a decrease in gender based violence. However, the delay in the establishment of a National Human Rights Council was a setback in advancing observance of human rights in Somalia.

In his report to the Security Council on UNSOM’s support to the Somali Federal Government, the Special Representative of the Secretary General noted that it had taken part in the forging of the New Deal Compact and creation of the multi-partner donor fund. UNSOM had also supported elections in Puntland and the negotiations over the creation of the Interim Juba Administration. Mr Kay also cautioned that despite what he called Somalia’s ‘steady progress’ in security, politics and economy, there remained a danger of sliding back into the old cycle of political infighting. He said Somalia needed to make urgent progress in implementing its Vision 2016 which included the requirements of an election in 2016, the review of the constitution and the completion of the federal structure. The membership of the constitutional review and implementation committee was finally announced this week and its members endorsed by the cabinet. The appointees are well respected and known figures in Somalia: Ms Asha Gelle Dirie, Professor Omar Hassan Mohad-Allah, Osman Jama Ali ‘Kalluun’, Mohammed Abdallah Salah and Hassan Hussein Haji. The appointment of the commission is an important step in the process of producing the new constitution in time for the election in 2016.

UNSOM’s first anniversary at the weekend was celebrated in the presence of Somali President, Hassan Sheikh Mohamud, Deputy Prime Minister, Ridwan Hirsi Mohamed and Nicholas Kay. President Mohamud underlined the importance of UN support to Somalia saying that “we value the ongoing support of the UN and other international partners in fulfilling their part of the development partnership. We look forward to continuing to work together with SRSNG Nick Kay and UNSOM, as we move closer towards our common desire for peace and prosperity in Somalia.”

The event was hosted by the Minister of Information, Mustaf Duhulow, who thanked Mr Kay, “for his tireless commitment and dedication to support the Federal Government and the people of Somalia in order to bring peace and stability.” The Minister said Mr Kay was “leading the way for us to have one door knock to all UN agencies, which is what our President has asked when he came to power in September 2012. Nicholas Kay has advanced this approach and went the extra mile to galvanize the efforts of the international community towards Somalia.”

The Minister of Information said the government now had an excellent partnership working with UNSOM and detailed some of the areas of development: “We have liberated over 10 districts from the tyranny of terrorists; we are stabilizing the country by engaging with communities and providing basic services to people. We have established the Independent Commission on the Review of the Provisional Constitution and appointed 5 respected and well known individuals from all walks of life representing all regions to lead this process. We established ministerial sub-committees in order to streamline the function of the government and implement good governance. We have developed our Strategic Communications, which will help us to better coordinate our messaging. During the last 4 months we have made remarkable progress in carrying out a thorough

consultation on Media Law and Telecommunications Law with all key stakeholders. We have established the joint security operation centre and we now have excellent working partnership with AMISOM. Our leaders have visited many regions with a view to reconcile communities. Our Public Finance Management is progressing very well, as we now have Board of Directors, Governor and Deputy Governor for the Central Bank chosen through a competitive recruitment process with the help of World Bank. We now have Auditor General and Accountant General that came through the same process. We have achieved all the above despite the enormous challenges that exist.”

The Minister said he had no doubt that UNSOM would continue to work with the Federal Government on key priorities, such as review of the Provisional Constitution, the establishment of Federalism and the democratization process in order for us to hold fair and free elections by 2016. UNSOM, he said, was now in a position to understand the competing priorities and challenges the government faced, including the fragmentation of the society and the difficulty of bringing peace and stability while at war with terrorists and facing a lack of resources and other challenges. The Minister said a year ago Nicholas Kay “had little information on Somalia, but today he is one of the experts that can really sympathize and understand the difficulties and the challenges we confront on a daily basis.” He concluded by underlining “the best way to come out of the current morass is to fully empower the Federal Government as it is the only institution that is fully representative of all people and all walks of life in Somalia. It is imperative to support all activities in Somalia through the Federal Government, which is the only legitimate institution in Somalia that can safeguard the sovereignty and the territorial integrity of the country.”

South Africa to strengthen business relations with Ethiopia

The first official Ethio-South Africa Business Forum was held from June 3 to June 6, in Addis Ababa, representatives from 28 South African companies with a large range of expertise, experience and know-how in areas such as agro-processing, manufacturing, engineering for infrastructure, energy, education and health. Also present were members of Ethiopian private sector institutions and businesses and high level government officials. The forum was designed to bring together Ethiopian and South African officials, prominent business people, investors, policymakers and industry leaders from various enterprises and institutions of all sizes, in a congenial three-day exchange of views to foster business-to-business and business- to-government solutions for mutual economic development.

In his opening speech, Ethiopia’s Agriculture Minister, Tefera Derebew, noted that the joint forum would help elevate existing Ethio-South Africa social, economic, and political relations to a higher level through fostering strategic economic alliances and solid business partnerships, as well as leading to the national economic transformation of both nations. He said the forum could be expected to play a critical role in gathering ideas for further consolidation of progressive economic forces between Ethiopia and South Africa. It could provide responses to the ongoing dynamic development in Africa and help create a robust platform and vehicle to facilitate the interaction of the public and the private sectors.

Mr Tefera indicated that Ethiopia has been on the investment radar for a considerable time and had witnessed increasing appetite for investment in areas such as agriculture, agro-processing, manufacturing, infrastructure development, mining, energy and tourism. He added that South African investors were already recognized as key partners in the development process. He noted the pragmatic and feasible policies that Ethiopia had developed and which allowed it to register double-digit growth for ten consecutive years. It had been praised as having the fastest growing non-oil dependent economy. He underlined the Ethiopian government's commitment to make the country a real destination for Foreign Direct Investment, saying that “we are attaching utmost priorities to promote foreign direct investment and foreign trade as important strategies in resource mobilization.” Minister Tefera also elaborated on the huge investment potential available in the agricultural sector, characterizing Ethiopia “as a land of unique opportunity for agricultural investment”. He said Ethiopia offered a varied agro-ecology, providing for profitable horticulture investment in the highlands and at mid-level altitudes, while extensive commercial agriculture farming could be carried out in lowland areas.

In his welcoming speech, Mr Endalkachew Simie, Deputy Secretary General of Ethiopian Chamber of Commerce and Sectoral Associations, pointed out that imports and exports between the two countries had been growing in value and in volume. Mr Endalkachew said the strengthening of the two countries’ trade and investment would

obviously provide a framework for both countries to benefit from their competitive advantages and allow for subsequent and solid trade and economic cooperation. He underlined Ethiopia's immense and intact investment potential endowments.

Mr Stanley Subramoney, Chairman of the NEPAD Business Foundation, in his introductory remarks said that the people of South Africa and Ethiopia have had a long and historic relationship, bound by common struggle and hope for the unity of a free and prosperous Africa. He noted that the years of development were advancing and the pace of Africa's growth was accelerating. "The time to seize the opportunity is now", he said. He declared that Africa was at a critical juncture and the continent currently provided a new edge of opportunities, and emphasized that intra-Africa trade was increasing and pushing back the frontiers of poverty. Mr Subramoney said that Ethiopia was "a regional rising star exhibiting a robust economic growth despite global economic turmoil." He noted there are similarities in national economic policies between the two countries and between Ethiopia's Growth and Transformation Plan and South Africa's National Development Plan.

Mr Fitsum Arega, Director General of the Ethiopian Investment Agency, also detailed Ethiopia's immense and intact investment potential as well as itemizing the incentives available for investment in the priority sectors. He said the Government has amended Ethiopian investment policy several times in the last 22 years in order to improve and provide a conducive investment environment. He noted that the country's investment laws were strongly favorable for investors, providing guarantees against expropriation or nationalization, and bilateral investment promotion and protection treaties had been signed with 27 countries and double taxation avoidance treaties with 18 states. Mr Fitsum gave an account of several incentive packages that had been made available for investors, among them tax holidays of 2 to 8 years as well as duty free imports of goods. He said that in line with the Government's commitment to boost Foreign Direct Investment it had reorganized the working of the Ethiopian Investment Agency, introducing a One-Stop Shop for investors, to ease administrative procedures. He also gave an account of Ethiopia's national development strategies, the major projects and exclusive industrial complexes being created, and called on South African businesses to make use of Ethiopia's quota-free and duty-free access to European and other markets.

The Ethio-South Africa Business Forum included Business-to-Business networking meetings, aimed at creating opportunities for commercial and industrial partnerships between enterprises from both countries. A number of bilateral meetings were also arranged for members of the South African business delegation with representatives of relevant ministries and institutions in Addis Ababa, including the Ministries of Agriculture, Industry, Water and Energy, Transport and Health as well as the Investment Agency, the Privatization Agency and Ethiopian Airlines.

Ethiopia-Turkey partnership: a way forwards for progress and growth

The Ethiopia and Turkey Trade and Investment Forum was held on Friday (May 30) in Addis Ababa. It culminated in the signing of a Memorandum of Understanding between the Ethiopian Chamber of Commerce and Sectoral Associations (ECCSA) and the Confederation of Businessmen and Industrialists of Turkey (TUSCON) on ways to expand further economic and investment cooperation between the two business communities. Discussions at the Forum focused on matters related to the identification of Ethiopia's investment and trade opportunities, the exploration of priority areas of investment and trade, the enhancement of the bilateral complementary and mutually beneficial economic and trade cooperation and ways to elevate the bilateral trade ties of the two countries. The Forum was attended by Prime Minister Hailemariam Desalegn; Ahmed Abitew, Minister of Industry; and Dewano Kedir, State Minister for Foreign Affairs; as well as Mr Rizanur Merel, President of TUSCON, Solomon Afework, President of ECCSA, and other high-level government officials and representatives of the Ethiopian and Turkish business communities. The Forum was organized by TUSCON, the Turkish Embassy in Addis Ababa and ECCSA in association with the Government of Ethiopia.

In his opening remarks, Prime Minister Hailemariam welcomed the Turkish business delegation, which was made up of 86 people representing 63 companies, noting that the Government of Ethiopia strongly supported concrete initiatives for unimpeded trade and investment to achieve mutual benefit and win-win progress with the Government and people of Turkey. He emphasized that the developmental state's right mix of policies and strategies had placed Ethiopia on the road to renaissance, rejuvenation and prosperity. He noted that Ethiopia was committed to creating an enabling business and investment climate to fast-track the momentum and

resilience of its economic development. He characterized Ethiopia's institutional engagement with TUSCON as a "particularly edifying experience", stating that TUSCON had helped Ethiopia to draw lessons from Turkey's economic development and transformation and to offset weaknesses in Ethiopia's approach towards the islands of sustainable development and transformation. The Prime Minister said Turkish companies had become major contributors to Ethiopia's "rather impressive growth and development narrative," underlining the suggestions that TUSCON's further engagement with Ethiopia, the established market networks of Turkish companies and their immense experience in manufacturing and other priority areas would pave the way for the collective rejuvenation and development of Ethiopia and Turkey.

The Prime Minister also welcomed the establishment of Turkish educational institutes in Ethiopia in addition to the existing institutional trade and investment cooperation. He appreciated Turkey's commendable efforts to continuously strengthen and deepen practical cooperation with the Government of Ethiopia to improve and raise the quality of education. He said Ethiopia greatly valued the importance of quality education and considered the Ethio-Turkish institutional partnership in education as a necessary and solid foundation for Ethiopia's sustainable development. He noted that Ethiopia and Turkey shared similar culture and religion, adding that these commonalities would encourage and intensify Ethiopia's continued efforts to reach its renaissance in the coming years and address the demand for common prosperity and development. He reminded his listeners that the first ever hegira had been made to Ethiopia where a safe haven was provided for the family of the Prophet and for Muslim immigrants. He said Turkish business people and investors as well as members of the international Muslim community should take time to visit the al Najashi Mosque in Tigray Regional State and develop the area. This would strengthen people-to-people relations and turn the area as a leading tourism destination site.

Mr Rizanur Merel, President of TUSCON, noted that Ethiopia and Turkey had enjoyed robust and rapid development in bilateral cooperation in the fields of trade and investment. He described Ethiopia as "a shining star of Africa" and as a state committed to maintaining the momentum of economic development with large-scale investment and business potential for both Turkish and international investors. He hailed Ethiopia's market opportunities, investment potential, demographic advantages, lower-risk investment landscape and consistent economic development. He emphasized that TUSCON was ready to share successful experiences in the fields of manufacturing, agriculture, construction, and energy. He suggested that both sides should encourage and reinforce efforts to encourage people-to-people relations and cultural exchanges to enhance mutual understanding and expand further cooperation. Mr Merel also expressed his hope that the Government of Ethiopia would support Turkish investors and the business community in their efforts to engage in the country's development endeavors and in the priority areas of manufacturing, construction, trade and other investment projects. He thanked the Government for its sustained support to the Ethio-Turkish schools which, he said, would help cement people-to-people relations and cultural exchanges which were crucial driving forces for the extension and improvement of the cooperative partnership between the two peoples in many fields of common interest and benefit.

Aklilu Wolde-Mariam, Director of Information at the Ethiopian Investment Agency, explained that Ethiopia was now a firm champion of political and macro-economic stability, adding that it was endowed with ample investment opportunities, incentives, effective services and transparent legal frameworks to protect investors from expropriation or nationalization. He detailed Ethiopia's investment policy which, he said, prioritized high and sustainable value addition investments, economic diversification, transfer of technology, management of know-how and technical skills and export-oriented industrialization. He briefed the delegation on the five sectors, including manufacturing, infrastructure, agriculture/agro-industry, mining and tourism and hotels, which Ethiopia believed could offer the greatest investment potential dividends to Turkish and international investors. He underlined that the Government of Ethiopia stood ready to work with Turkish and other international investors on the development of industrial zones in Addis Ababa, Dire Dawa, Hawassa and Kombolcha, and he welcomed the close participation of Turkish investors in Ethiopia's economic growth and development. He added that Turkey had become the leading country in terms of trade and investment capital inflows in Ethiopia.

Solomon Afework, President of the ECCSA, indicated that Ethio-Turkish bilateral relations had been marked by positive progress coupled with practical achievements in the economic, political, and diplomatic spheres over the past decade. He gave details of the continued growth in trade and investment relations, noting that the total

trade turnover between the two countries had reached over US\$550 million last year, up from US\$110 million in 2004. He said Turkey had become one of the five leading sources of investment in Ethiopia, adding that the number of Turkish investors had risen to over 175 in 2012 from only one in 2004. Between 1992 and 2012 Turkish investors had been given licenses for 175 projects with capital of USD 2.53 billion. Turkish investment projects along with the increasing investment landscape offered job opportunities to thousands of Ethiopia's youth, he said. He noted the example of the AIKA Addis, Turkish Textile Company, which had become an enduring example of success and a model for mutual advancement, currently providing 3,000 jobs and expecting to offer up to 10,000 job opportunities in the future.

Mr Solomon said Ethiopia-Turkey engagement had given a testimony of increasing development in bilateral cooperation in many fields and shown notable progress, but at the same time, he underlined, these positive elements had still not fully tapped into the tremendous potential or attained the expectations of both countries. He called on both sides to strengthen existing ties and diversify and enhance trade and investment cooperation, stressing that tangible results already achieved must be sustained and expanded by the respective business communities. He pointed out that Ethiopia-Turkey ties had witnessed a "phenomenal and electrifying success" due mainly to "the presence of viable economic policy that highly favors private investment." To improve the business and trade climate further, he said, Ethiopia was now providing various investment incentives including duty free rights for importing machineries, spare parts and inputs, as well as exemption from internal taxes, tax holidays and other benefits to investors. Mr Solomon emphasized that the business communities of the two countries could be seen as the linchpin for the development of effective bilateral economic cooperation and for the attainment of the dream of national renewal. He called on both sides to organize trade fairs, exhibitions, business forums and other consultations in order to further expand trade and investment ties; and he stressed that the conclusion of the MoU between TUSCON and ECCSA would strengthen and speed up existing bilateral relations between Ethiopia and Turkey.

Anniversary of Eritrean independence; President Isaias offers a constitutional draft

On Saturday (May 24), Eritrea celebrated the 23rd anniversary of its de facto and the 21st anniversary of its formal independence, following its referendum in May 1993. The anniversary took place against a background of reports that Eritrea is trying to improve relations with neighbors and the wider diplomatic community in an attempt to get UN sanctions lifted, and recent calls for fresh attempts to improve Eritrea's relations with Ethiopia. However, President Isaias' speech, at the stadium in Asmara, offered little in either respect. It gave no indication of any changes of policy, nor did it appear to reflect the concerns of the international community over the continuing flood of refugees leaving the country or the policy of indefinite conscription and forced labor affecting almost the entire working population.

Nevertheless, President Isaias did offer one surprise: "a constitution drafting process will be launched in order to chart out the political roadmap for the future government structure." This, loudly applauded by the crowd, was indeed unexpected. For seventeen years, the President has resolutely refused to consider implementing the Constitution that was drafted in 1997 and ratified then by the National Assembly. The President gave no indication of why he felt it might be more appropriate to redraft a constitution at this stage. Certainly there is no indication that he has changed his mind over such issues as an elective presidency or multi-party elections which were provided for in the 1997 Constitution and which he has resolutely refused to consider. Indeed, all his pronouncements on elections and political parties in the past have made it quite clear he does not envisage any other parties, or indeed any other person, playing a role in an Eritrea under his presidency. Indeed, he appears not to have considered any possible successor, and he has repeatedly said he does not believe it would be possible for any other party except the ruling People's Front for Democracy and Justice, formerly the Eritrean People's Liberation Front, to run the country.

Over a decade ago, President Isaias told an Arabic paper that: "the decision not to adopt political plurality in our country was not a government decision or stance against plurality and democracy; but the Eritrean people said with complete clarity: We do not want political parties and we do not want newspapers...". To quote him on another occasion: "What I want to stress is the fact that a constitution has nothing to do with the formation of parties or party laws...It seems to me that the formation of various political programs that may function in the political forum may not be realized in the very near future. And even after being realized it may still take a very long time before they can become mature enough to play productive roles in the political life of the country". In

fact, he also indicated three or four decades were the most likely timescale. A decade ago, the President told an Australian news agency: "For me retirement means retiring from what you do in life, from what you aspire to achieve in life, in a nation, and I don't think it will ever cross my mind again anytime in the future as long as I live". He was quoted, slightly differently, by Al Jazeera: "never have I considered to retire and relinquish power, neither will I do so in the future. In fact there is no one to pass power to: besides I can't imagine Eritrea without my services."

The message was clear, a point he underlined very obviously in 2001, when 11 senior government and party officials, including ministers, were detained after raising the issue of implementing the constitution and democratic reform. The government closed down the entire independent press at the same time and arrested dozens of journalists. None, all apparently held in appalling conditions and ill-treated, have ever been charged or tried. A majority of those senior officials, as well as several journalists, are reported to have died from ill-treatment and lack of medical care during their thirteen years of largely solitary confinement in an isolated and specially built prison.

In his speech, the President briefly described the future constitutional-drafting process as one that will "chart out the political road map for the future governmental structure." There was no mention of citizens or their rights, and he appeared to see constitutional drafting as no more than government re-organization. The President said a new constitution would be based on what he called important lessons gleaned from the "hostile external schemes aimed at derailing the nation-building process." He gave his usual account of these, accusing the United States and "its regional allies", presumably including Ethiopia, of trying to cripple Eritrea's efforts at nation-building. He repeated his claim that the US was responsible for wars that Eritrea itself had launched against Ethiopia, Yemen and Djibouti. He reiterated his long-standing claim that the sanctions the UN Security Council imposed against Eritrea in 2009 for its negative activities in Somalia and elsewhere, was just another manifestation "in the chain of predatory and unwarranted hostility" against Eritrea, organized and orchestrated by the United States.

He said the US had tried to stifle "nascent stability and economic growth of Eritrea" by setting it at "conflict on territorial waters with Yemen" and had driven it into war with Ethiopia in the "border conflict in Badme", in 1998. And when these conflicts had been settled through arbitration processes, "the border dispute with Djibouti" was concocted by those with an "appetite bent on domination and monopoly". Following that conflict with Djibouti, which Eritrea still refuses to acknowledge ever taking place despite the evidence of Eritrean soldiers captured in Djibouti and detailed photographic evidence of Eritrean forces across the border inside Djibouti, President Isaias said the Security Council had passed "a sanctions resolution in 2009... [in order to] prevent the Eritrean people from seeking justice and resisting the occupation of its sovereign lands and to silence its voice." As usual, he ignored the fact that sanctions had first been called for by IGAD and then endorsed unanimously by the African Union. He called the UN sanctions, "another manifestation in the chain of predatory and unwarranted hostility", accompanied "by intense and unremitting acts of subversion comprising of military, political, diplomatic, economic as well as human-trafficking ploys [and] psychological warfare."

Indeed, following his normal practice, the President's account of Eritrea's conflicts with Yemen, Djibouti and Ethiopia bears no relation to the actual reality: that Eritrea launched unprovoked attacks against all three countries. It is hardly surprising that Eritrea's neighbors have been convinced that aggression has been a central element of Eritrean foreign policy since it became formally independent in 1993. Eritrea has after all repeatedly refused to hold any dialogue for normalization of relations with Ethiopia despite numerous offers by Ethiopia to talk anywhere, at any time and at any level.

The President went on to claim that the aim of these "hostile" acts was to "weaken all the endowments of the Eritrean people and vanquish its resistance". They had not been successful, he said, and Eritrea had continued to pursue the task of nation building "within the desired framework and identified priorities without being derailed or becoming hostage to all the hostilities and provocations". Eritrea's priorities were laying robust foundations for the rehabilitation and growth of the devastated economy with developmental projects and programs to ensure sustainable growth, and the pillars of this developmental drive were agriculture, manufacturing and services. He also spoke of the importance of enhancement of human capital and the "imperative to strengthen and bolster slackening discipline as well as educational and professional training to

ensure the requisite acquisition of knowledge, technical expertise and work experiences”, describing this as an urgent and timely task.

Although the President made no such reference, the urgency must be underlined by the ongoing drain of “human capital” from the country, with thousands of people fleeing the country every month in order to avoid what amounts to permanent national service conscription in what is now officially referred to as the Warsai-Yikealo Development Campaign rather than national service. All those between the ages of 18 and 40 are required to do 18 months national service, though the age limits have fluctuated, at times expanding to between 15 and 55; women are supposed not to be conscripted after 27. Since 1997 this system has been open-ended. Virtually no one has been demobilized and this means possibly as many as half a million people remain mobilized and under military discipline, allowing the regime to use them as a cheap labor force for government, party or military companies – conscripts are paid no more than 500 Nakfa (US\$12) a month. As the population is little more than around 3 million this is a very significant element and, judging by those crossing the borders into Sudan and Ethiopia, the majority of those taking flight are in their late teens and early twenties, though there are a considerable number of younger children. In Ethiopia alone there were 92,460 Eritrean refugees at end of April this year and they are still arriving at the rate of 2,000 or so a month. Until recently, similar numbers have been crossing into Sudan every month. According to the United Nations High Commissioner for Refugees, over 305,000 Eritreans (more than 5 percent of the population) have fled during the past decade. That figure is certainly an under-estimate.

The Stop National Service Slavery Campaign’ has recently been launched by Eritreans in exile. The organization presented a briefing to members of the UN Human Rights Council outlining the “devastating political, economic, social and psychological impact that National Service is having on recruits, their families and communities”. It detailed the direct links between indefinite national service and the ongoing refugee crisis involving the 3,000–5,000 Eritrean refugees who risk their lives to escape every month rather than face conditions in their own country. Campaigners have revealed the perils those refugees who try to get further, to Israel, or to Europe, and in their journey across Africa putting their lives in the hands of ruthless human traffickers and smugglers, often with fatal consequences. Escapees from Eritrea in the first instance risk imprisonment or until recently the danger of being shot on the border in order to leave the country, and their families also suffer imprisonment, fines or both. Those escaping can also face the threat of being taken hostage by human traffickers in Sudan or Sinai and tortured or killed, or the high possibility of drowning in attempts to get across the Mediterranean to Italy. According to Italy’s Interior Ministry, some 12,000 of the refugees (that is 31%) arriving in Italy by sea this year, most coming via Libya, have been Eritrean. This is a significant increase from previous years. Thousands have died in these efforts. It is a striking, indeed a horrifying, testimony to the nature of the regime they have left that so many are prepared to risk all, including their lives, to leave.

Despite the UN Human Rights Council’s concerns at the continuing exodus and the reports of grave violations of human rights in Eritrea, the UN Special Rapporteur appointed to look into the situation has been denied entry into Eritrea. In February when Eritrea’s second Universal Periodic Review on human rights was adopted, discussions highlighted the level of concern on the indefinite national service program as well as other issues. In June, the UN Human Rights Council is due to hold an interactive dialogue with the Special Rapporteur for Eritrea. The Stop National Service Slavery Campaign wants the UN and Member States to use the opportunity to recognize that Eritrea’s National Service program should be classified as “Modern Slavery” and undertake to put an end to a practice which continues to put thousands of young lives in jeopardy. The Campaign is planning to meet at the UN during the Human Rights Council’s session in June 26 regular session and hold a public rally in Geneva to highlight its concerns.

Eritrean human rights organizations have been particularly concerned about treatment of workers at the mines, most of whom tend to be national service conscripts. Recent reports in the Canadian press have raised questions over the use of forced labor by Canadian companies operating in Eritrea. This is not the first time. Nevsum Resources’ Bisha gold and copper mine came into production in 2011 and questions were asked then, and indeed allegations of the forced use of conscripts by military construction companies such as Segen, one of the companies used to build the Bisha mine, go back far earlier.

Indeed, the use of national service conscripts to provide workers for party, military and government companies and even for individuals from these organizations, was described as a system of “slave labor” by former

Eritrean Attorney-General, Adhanon Gebremariam as long ago as 2002. He described it as a process defying “all standard international laws”. The services exacted from the conscripts, he said, had only been used for the benefit of the government, the ruling party and senior military officers, not for the benefit of the people. He noted that “the most productive section of the workforce in the country is tied up to the army and is forcibly engaged in road construction or toiling on farms belonging to army officers and the ruling party while the rest of the population are dependent upon international handouts. When such handouts [do] not arrive in time, the people [are] left with no alternative but to flee to neighboring countries.” In fact, he said, the main reason for the displacement of labor from life-sustaining economic activities to other areas was to provide for “the enrichment of the ruling party and high-ranking military officers.” In 2010, an Eritrean commentator noted: “...investors should know that their money is being used to perpetuate misery [in Eritrea] in two ways – motivating the regime to use all the slave labor it can in the mining companies to maximize its profits... [and] using all the revenues it gets from the mining projects to terrorize its own people and the region.”

Judging by the evidence of those fleeing the country today, and the President’s speech offered little reason to suggest anything different, nothing at all has changed.