

A Week in the Horn

6th December 2013

News in brief:

- African Union
- Ethiopia
- Eritrea
- Kenya
- Somalia
- South Sudan
- Sudan

Articles from page 3:

- **The 3rd Ethiopia and Sudan Joint Commission Ministerial Meeting and Summit**
- **Water Minister's Meeting to be held in Khartoum; Sudan Supports GERD**
- **Somalia's Prime Minister loses a vote of confidence in Parliament**
- **Celebration of Ethiopia's 8th Nations, Nationalities and Peoples' Day**
- **Ethiopia is taking concrete measures to expedite accession to the WTO**
- **Pan-African Chamber of Commerce and Industry Conference on free trade**
- **The Second Annual Meeting of "Powering Africa - Ethiopia"**
- **An Iranian Parliamentary Friendship Group meets State Minister Ambassador Berhane**

News in brief

African Union

Dr Aisha L. Abdullahi, Commissioner for Political Affairs of the African Union Commission participated in the 2nd United Nations Forum on Business and Human Rights, taking place in Geneva (December 2-4).

The Committee of African Heads of State and Government on Climate Change (CAHOSCC) is holding a meeting on the margins of the Elysee Summit in France on Friday (December 6). The meeting is to brief AU leaders on COP19 held from November 11-22 in Warsaw, Poland. It will enable CAHOSCC to consider the report to be submitted to the AU Summit in January 2014.

A three-day global conference on the importance of access to rural energy to help eradicate poverty opened in Addis Ababa on Wednesday (December 4). The Conference on **Rural Energy Access: A Nexus Approach to Sustainable Development and Poverty Eradication** is part of the follow up to the 2012 Conference on Sustainable Development or Rio+20.

The African Union Commission concluded a two-day workshop this week reviewing AU Disarmament, Demobilization and Reintegration (DDR) Operational Guidance documents. The program was initiated in February 2012. The consultative workshop focused on issues of detention, women and children in armed conflict, reintegration and on developing frameworks for National DDR initiatives.

Ethiopia

The Ethio-Sudan Joint Commission Ministerial meeting and Summit took place in Khartoum on Tuesday and Wednesday this week (December 3-4), attended by Prime Minister Hailemariam, Foreign minister, Dr Tedros and a high-level delegation. (See article)

The United Nations' Refugee Agency on Tuesday announced that it has contributed \$100,000 to help support the thousands of Ethiopians returning from Saudi Arabia. The number of returnees reached **107,401** by Thursday night (December 5).

Foreign Minister, Dr Tedros Adhanom, held discussions on Monday (December 2) with the Minister of Foreign Affairs of Guinea, Kaba Hadja Rouui Barry, and the State Minister for Foreign Affairs of Nigeria, Professor Viola Onwuliri. The theme of the discussion was the Abuja Commitment for Global Power Network Africa (GPWNA).

Foreign Minister, Dr.Tedros Adhanom, met with members of the Ethiopian Artists Association (EAA) on Monday (December 2) to discuss the current situation of Ethiopian nationals in Saudi Arabia, the activities of the repatriation process, and ways to support government efforts to end the suffering and abuse of Ethiopians in the Kingdom.

The United Nations Educational, Scientific and Cultural Organization (UNESCO) has registered the 'Meskel Festival' of Ethiopia as part of the Intangible Cultural Heritage of Humanity. Meskel is the commemoration of the finding of the True Cross of Christ and is celebrated across Ethiopia on September 26. The Intangible Cultural Heritage list comprises some 100 traditional events from around the world.

The World Bank's Board of Executive Directors has approved financing for Ethiopia to transform the quality of its teaching and learning for more than 21 million children in primary and secondary schools. The **Ethiopia General Education Quality Improvement Project**, supervised by the World Bank, will receive coordinated financing of US\$550 million from an International Development Association credit, the Global Partnership for Education, the UK's DfID, Finland, USAID and Italy.

Transparency International's annual report on perceived corruption lists several African nations among the world's worst performers. African countries that scored 20 or below on the list included Somalia, Sudan, South Sudan, Guinea-Bissau, Equatorial Guinea, Chad and Eritrea. Only three African nations received scores above 50 - Botswana, Cape Verde, and Rwanda. Ethiopia received a score of 33, the same as last year and stood 111 out of 177.

An agreement was signed between the World Bank and Addis Ababa University for a grant of US\$5 million to support the launch of a new Ethiopian Climate Innovation Center (CIC). The center will be part of infoDev's Climate Technology Program.

Ethiopian Airlines won the 2013 "African Airline of the Year Award" from the African Airlines Association at its 45th Annual General Assembly meeting held last week in Mombasa, Kenya. During 2013, Ethiopian also won the SKYTRAX award for "Best Airline Staff Service in Africa" and the Passengers Choice Award for "Best Airline in Africa". The airline started operating three flights a week from Addis Ababa to Singapore on December 3.

Eritrea

A report entitled "The Human Trafficking Cycle: Sinai and Beyond" was presented to EU home Affairs Commissioner Cecilia Malmström in the European Parliament on Wednesday (December 4). Estimating US\$600 million may have been paid out in ransoms, it accuses Eritrea's armed forces of being central to the trafficking of refugees from the Horn of Africa.

Over the weekend, Eritrea's Foreign Minister, Osman Saleh delivered a message from President Isaias to President Uhuru Kenyatta of Kenya. He also held talks with the President on the Eritrean-Kenyan partnership in trade and investment as well as regional and global issues.

On Friday, President Isaias held talks with Mr Ibrahim Sani Abani, General Secretary of the Community of Sahel-Saharan States (CEN-SAD). President Isaias said Eritrea would strengthen its contribution towards reorganizing the organization, its institutions and objectives.

On Friday last week, President Isaias received the credentials of the Ambassadors of Turkey, Austria, Nigeria, the Netherlands, Kuwait and Jordan.

Kenya

The ICC trial chamber judges have issued guidelines for President Kenyatta's trial at The Hague, saying it will be held in "alternating four week blocks" with the trial of Deputy President William Ruto. This decision appears to ignore the amendments to the Rules of Procedure for the Court agreed at last week's Assembly of State parties in The Hague.

President Pierre Nkurunziza of Burundi, President Uhuru Kenyatta of Kenya, President Paul Kagame of Rwanda, President Jakaya Kikwete of Tanzania, and President Yoweri Museveni of Uganda signed a monetary union protocol on Saturday (November 30) outlining plans to provide for a common currency for the East African Community within ten years. The EAC is expected to expand soon to include Somalia and South Sudan.

Somalia

On Monday (December 2) Somali Prime Minister Abdi Farah Shirdon lost a vote of confidence in the Somali Parliament by 184 voted to 65. (See article)

Somali President Mohamud said he recognized the dedication of outgoing Prime Minister Shirdon, but described the no confidence vote against the Prime Minister as an example of the strength of the country's democratic institutions.

Puntland's President Abdurahman Mohamed Farole announced on Tuesday (December 3) that he had set up a seven-member Conflict Resolution and Reconciliation Committee to be responsible for choosing and vetting the members of the regional Puntland Parliament before the MPs choose the President in a presidential election expected to be held in January 2014. More than 15 presidential candidates including President Farole are competing in the election.

South Sudan

The East African Community (EAC), following its recent Summit in Kampala, has announced that a decision on South Sudan's application to join the Community will be made in April next year. Member states also received a progress report on Somalia's application to join the EAC. A team has been set up to verify the country's application and is due to submit its report in November 2014.

Sudan

On Wednesday (December 4), President Omer Al-Bashir and Ethiopian Prime Minister Hailemariam inaugurated the Ethio-Sudan Power Systems Interconnection at Gedaref, with the 321 km long power transmission line linking Gonder-Shehedi-Metema in Ethiopia with Gedaref State in East Sudan. (See article)

The 3rd Ethiopia and Sudan Joint Commission Ministerial Meeting and Summit

The 3rd Ethiopia and Sudan Joint Commission Ministerial Meeting was held on Tuesday (December 3) in Khartoum's Friendship Hall. It was co-chaired by Ethiopian Foreign Minister, Dr Tedros Adhanom, and Sudan's Foreign Minister, Ali Karti. The Ethiopian delegation included Alemayehu Tegenu, Minister of Water, Irrigation and Energy; Sofian Ahmed, Minister of Finance and Economic Development; Workneh Gebeyehu, Minister of Transport; Redwan Hussein, Minister for Government Communication Affairs; Getachew Ambaye, Minister of Justice; Siraj Fegesa, Minister of Defence; and Abraham Negusie, Deputy Director General of Ethiopian Customs and Revenues Authority. The Sudanese side was represented by Dr Babiker Nahar, Minister of Transport; Mustafa Osman Ismail, Minister of Investment; Dr Mohammed Abdel Karim alhad, Minister of Tourism; and Dr Tabita Boutros, State Minister at the Ministry of Electricity and Water Resources.

In his opening remarks, Sudan's Minister of Foreign Affairs, Ali Karti, hailed the fruitful cooperation of the two brotherly countries and expressed the hope that the signing of the 13 agreements in key areas of cooperation including security, governance, investment, trade, human trafficking, justice and banking, would further enhance cooperation. He noted the pivotal role of the agreements in paving the way for strategic integration of the two countries. The development of infrastructure in roads, power and fiber optics were important achievements in making Sudan and Ethiopia models for economic integration in the region. Speaking about the new Ethio-Sudan Power Transmission Line which was inaugurated by President Al-Bashir and Prime Minister Hailemariam the same day, Foreign Minister Karti said the interconnection was "beyond power systems; rather it is a connection of the two brotherly people." He said the completion of the Ethio-Sudan power system interconnection exemplified the solid steps taken by the two governments and their commitment towards implementing their agreements. With regard to peace and security, he saluted Ethiopia's efforts in bridging differences between Sudan and South Sudan, and commended its peacekeeping operations under UNISFA and its supportive role in seeking solutions to the problem of Darfur. Citing Ethiopia's incessant efforts to restore stability in Somalia, he added that Ethiopia was playing a crucial role within the region. He stressed that the convening of the 3rd session of the Ethio-Sudanese Joint Commission was an important event in reinforcing the historic ties of the two countries.

Dr Tedros commended the political, security and economic relations of the two countries. He said the Political Committee had assessed the commendable results in strengthening and expanding cooperation in peace and security, justice, federal matters and the exchange of information. The activities of the Joint Military Committee in organizing patrols and exchanges of information along the borders had enabled the two sides to minimize destabilizing and terrorist activities significantly. He added that since the signing of the Preferential Trade Agreement in 2005, trade volume had been growing fast, reaching US\$322 million in 2011, a twenty-seven per cent annual increase. Dr Tedros reiterated Ethiopia's commitment to support the Sudan in resolving any problems with South Sudan.

The Ministerial Meeting heard the report of the experts and endorsed the minutes of the Committees as well as the Memoranda of Understanding and a total of thirteen agreements the experts drafted for the Ethio-Sudan High-Level Summit, which they presented to the Summit. The first session of the Ethio-Sudan High-Level Joint Commission Summit was held on Tuesday evening (December 3) after Prime Minister Hailemariam had been warmly welcomed on arrival at Khartoum airport by President Al-Bashir. The Prime Minister noted that the bilateral relationship between Ethiopia and Sudan was continuing to expand, adding "I strongly believe that today the peoples of the Sudan and Ethiopia are "surfing in the same boat". He pointed out that the "peace, stability and development of the Sudan are our security, peace and development," and said "I sincerely believe the outcome of our High-Level Joint Commission Meeting, encompassing the Joint Political, Joint Economic and Joint Social Committees, will now revitalize our overall multi-sectoral relationship." Prime Minister Hailemariam described the overall cooperation between the two countries in the area of infrastructure in the IGAD region as a particularly exemplary development. He welcomed the continuing dialogue between the leadership of Sudan and South Sudan in Juba last year, and in Khartoum and in Kuwait this year.

President Al-Bashir said their meetings should be regarded as a step towards achieving a comprehensive vision for a firm relationship and cooperation between Sudan and Ethiopia as well as a contribution to regional and international efforts to confront challenges in Africa. He said Sudan looked forward to consolidating its cooperation with Ethiopia, adding that the framework agreement that would be signed by Sudan and Ethiopia was conducive to establishing strategic relations in all fields, expanding the cooperation between the two countries to wider horizons, meeting the aspirations of the two peoples and establishing joint projects for their interests. President Al-Bashir said Sudan appreciated the responsible democratic practices, the high economic growth rate and the infrastructural and industrial projects being developed in Ethiopia. He expressed his appreciation of Ethiopia's mediation efforts between Sudan and South Sudan and praised Ethiopia's role in boosting the peace process and in providing UNISFA forces in the Abyei area. In particular he noted that during the chairmanship of Ethiopia, the African Union had taken a firm stand on the ICC which he welcomed.

The second session of the Summit took place on Wednesday when the two leaders signed the various agreements that had been agreed. These included a Framework Agreement on Trade, the Economy and Technical Cooperation; and a draft Agreement on Air Services; a Memorandum of Understanding on Fighting Illegal Migration and Human Trafficking; Agreements on Road Transport Services and on the Development

of Railway Transport; and an MoU on Harmonization and Mutual Assistance in Customs Operations. In addition, the experts developed an MoU on Promotion of Cooperation between the Central Banks; Agreements on Cooperation in Governance and Decentralization; on Trade, Economic and Technical Cooperation; on Cooperation on Security Matters; on Education; on Cooperation on Youth, Children and Women Affairs; and for an Executive Program on Youth.

During his visit, Prime Minister Hailemariam and President Omar Al-Bashir inaugurated the Ethio-Sudan Power Systems Interconnection at Gedaref. The 321 km long power transmission line connects Gonder-Shehedi-Metema in Ethiopia with Gedaref State in East Sudan. The project commenced after the design had been agreed by the respective power companies in 2006. Completed at a cost of US\$35 million, it has been on test for the last year. It has a transmission capacity of 100mw, and this will double in a few weeks' time when the construction of the second circuit is finalized. The project currently enables Ethiopia to collect revenue of US\$100-150 million a year. Prime Minister Hailemariam thanked the government and people of Sudan for their unreserved efforts to make the completion of the project a reality. He reaffirmed Ethiopia's leadership's commitment to continue building and expanding relations on the foundations laid down by the late Prime Minister Meles with President Al-Bashir. The Prime Minister said the power linkage project represented the beginning of integration and cooperation projects between Sudan and Ethiopia. Underlining that Ethiopia didn't seek its own narrow interests from its major development projects, he stressed it took into account the benefit of all countries in the region.

Alemayehu Tegenu, Ethiopia's Minister of Water, Irrigation and Energy said "the completion of the project would elevate the economic and political relations of two brotherly countries to a higher level." He noted that increasing border trade was pushing up the demand for power, and affirmed Ethiopia's readiness to supply it, not just for Sudan but for the region as a whole. He added that the project would make a significant contribution to alleviating low power voltage problems in East Sudan as well as reducing the dependency of Gedaref State on thermal power. The Minister also thanked the Government and people of Sudan for making the Ethio-Sudan Power Systems Interconnection a reality, and praised the Sudan's unwavering support for Ethiopia's Grand Ethiopian Renaissance Dam (GERD).

Speaking at a press conference on Wednesday evening, President Al-Bashir said Sudan and Ethiopia had agreed to establish a free economic and trade zone on their common border, a zone that would be equally divided between both countries in order to attract investment from both sides. He reiterated Sudan's determination to achieve peace and stability in the Horn of Africa, stressing it had always sought to resolve problems and tensions among countries in the region. He also pointed out that Sudan's strong ties with Ethiopia and Eritrea qualified it to play a role in removing tensions between the two countries.

Water Minister's Meeting to be held in Khartoum; Sudan Supports GERD

The meeting of Water Ministers of Sudan, Egypt, and Ethiopia will be held for the second time in a month in Khartoum on Sunday (December 8). The Ministers will again be discussing the creation of a joint mechanism for implementing the recommendations of the International Panel of Experts regarding the Grand Ethiopian Renaissance Dam (GERD). Last month's meeting ended inconclusively after disagreement on the setting up of a joint mechanism for implementing the Panel's recommendations. Egypt proposed that the committee for the joint mechanism should be composed only of international experts or alternatively that the Panel itself should be recalled. The Panel was composed of two national experts from each country and another four drawn from the international community. Ethiopia, and Sudan, proposed that the committee should be made up of national experts drawn equally from the three concerned countries.

Ethiopia's Minister of Water, Energy and Irrigation, Ato Alemayehu Tegenu, in a press conference after last month's meeting, expressed his optimism that the Ministers would reach a solution before their next meeting. He underlined Ethiopia's commitment to sustained cooperation with Sudan and Egypt and emphasized Ethiopia's determination to ensure fair and just usage of the dam by all parties without harming the interests of any. He repeated assurances that all three countries would greatly benefit from the Dam, and reiterated Ethiopia's complete acceptance of the report of the International Panel of Experts.

The International Panel of Experts underlined the importance of building the Dam according to international standards and specifications and without harming the interests of the downstream countries. After evaluating the various documents covering the construction of the Dam, conducting field visits to the

construction site and thoroughly studying its socio-economic, hydrological and environmental impact, on Egypt, Sudan and Ethiopia, **the Panel's report, unanimously and overwhelmingly, agreed that the Grand Ethiopian Renaissance Dam will not cause any significant harm on downstream countries.** It concluded that it was being built to international standards and specifications, and that its benefits to the lower riparian states would be substantial. They will include the saving of more than 20 billion cubic meters of water from evaporation, prevention of the frequent damage caused during flooding, and significant reduction of sedimentation in the downstream areas.

Recognizing the benefits of the Dam, the President of the Republic of Sudan, Omar Hassan Al-Bashir, has confirmed Sudan's support for the Grand Ethiopian Renaissance Dam project. He has noted that Khartoum would enjoy a large share of the electricity that will be generated by the Dam, a total of 6,000mw. He told a rally in Gedaref on Sudan's border with Ethiopia earlier this week: "We support the Renaissance Dam because we believe it will benefit all countries of the region, including Egypt." President Al-Bashir was inaugurating the **Ethio-Sudan Power Systems Interconnection** together with Ethiopia's Prime Minister Hailemariam. President Al-Bashir underlined the point that Sudan's support for the construction of the Dam was driven by economic factors, and he rightly asserted that Sudan will gain real economic benefit from the Dam's construction. He also called on Egypt to accept and utilize the benefits that the Dam would provide and stressed that Sudan supported its construction through the tripartite committee in the interest of all the countries in the region.

Prime Minister Hailemariam, during the inauguration of the Ethio-Sudan Power Systems Interconnection noted the link and the cooperation it represented between the two countries was only one step on the path of bilateral cooperation. "What Ethiopia and Sudan have achieved", he said, "could be a model for the whole region and beyond." The Prime Minister affirmed that Ethiopia did not seek to achieve any narrow interest from the Dam or any of its major development projects, but it took into account the benefit of all the countries in the region. This indeed underlines the significant current emphasis on regional infrastructural development. It is on this basis that Ethiopia will be participating in the coming Water Ministers' meeting in Khartoum this weekend. In the meantime, construction of the Dam is proceeding, and according to the National Coordination Office for the Grand Renaissance Dam, it is now 30% complete, **with the objective of starting generating 700 megawatts of electricity by next year.**

Ethiopia, as a riparian Nile state, has the right to use the Nile waters in accordance with the principle of "equitable and reasonable utilization" which is the basis of the Comprehensive Framework Agreement. The Agreement enjoys wide support under international water law. Ethiopia remains fully prepared and ready to strengthen its relations with all the riparian countries, on the basis of cooperation rather than competition, under this principle of equitable distribution of the Nile waters. There is no viable alternative to upstream-downstream cooperation for equitable and reasonable utilization of the Nile and for sustainable benefit sharing of the river's bounty.

Somalia's Prime Minister loses a vote of confidence in Parliament

On Monday [Dec 2], Somali Prime Minister, Abdi Farah Shirdon, lost a vote of confidence in the Somali Parliament by 184 votes to 65, with no abstentions. The vote followed weeks of disagreement between the Prime Minister and President Hassan Sheikh Mohamud. The difference between the two men first surfaced in September following a proposed cabinet reshuffle. The President was apparently opposed to the Prime Minister's suggested removal of three of his key allies, the Ministers of Interior and of the Presidency and the Deputy Prime Minister and Foreign Minister. The President demanded that the Prime Minister resign but he refused, claiming the President had no right to remove him and that this was a matter for Parliament.

Prime Minister Shirdon went public about his problems with the President on November 8 when he said President Mohamud had asked him to resign. He claimed this request from the President as a misreading of the Constitution on the President's part. After that, claims and counter-claims by their respective supporters, steadily increased, becoming more and more personal. According to media reports, the President asked the Prime Minister to resign on grounds of incompetence; the Prime Minister claimed that the President had no constitutional power to request his resignation. The Prime Minister reportedly complained that the government could not achieve its goals because the President had insisted on too small a cabinet, leading to each minister being in charge of three to four ministries.

One result of the dispute was that important issues, including security, reconciliation, corruption, the economy and other areas were side-lined. Behind-the-scenes efforts by foreign diplomats to resolve the situation made no progress and the issue finally ended up as a vote of confidence in Parliament where a majority of the Parliament, even some of his own clan, backed the President's desire to sack the Prime Minister.

Prime Minister Shirdon, who remains in office until the President nominates a new Prime Minister, said he accepted the decision of the Parliament, but made it clear he was disappointed that parliamentarians had not given him or his administration the chance to defend itself. He pointed out that on the second day of the debate he had not been allowed to listen to the allegations or defend himself. He said that “was really painful for me.”

Following a cabinet meeting on Thursday, he said that “The Cabinet reconfirms its acceptance of Parliament’s historic decision of December 2, just as we did one year ago when they endorsed me as Prime Minister. It is right that Prime Ministers are answerable to parliament and I am naturally disappointed that I was not given the opportunity to address parliament. I hope future Prime Ministers and governments will be given that opportunity. I want to thank my Cabinet and Ministers for their hard work and dedication over the past year working to rebuild our country and its institutions after two decades of civil war. A lot has been achieved in a year under difficult and challenging circumstances but there is still much work to be done. I call on the Somali public to support the new government just as they have supported my government. Now is not the time for progress to slow, we must all continue to work together in building a peaceful strong new Somalia.”

On Tuesday, President Hassan Sheikh Mohamud described the vote in parliament as a “testament to the strength of the country’s democratic institutions”, adding that he welcomed “parliament’s role as a strong signal of Somali democracy at work.” The President said it was important to emphasize that the constitution had been his clear guidance throughout the situation. He said he recognized “the effort and the dedication of the outgoing Prime Minister and his cabinet” and he congratulated “the Speaker and his deputies for their leadership of the parliament’s deliberation at this critical time of the parliament’s history.”

In a statement, the U.N. Special Representative of the UN Secretary General for Somalia, Nicholas Kay, also said the debate in Parliament showed the country’s institutions had come of age and that the U.N. was looking forward to working closely with the next administration. He also praised the outgoing Prime Minister for his dedication to promote growth and a strong relationship with international partners.

Celebration of Ethiopia’s 8th Nations, Nationalities and Peoples’ Day

The 8th Nations, Nationalities and Peoples’ Day will be celebrated on Sunday (December 8) in Jigjiga, the capital of the Somali Regional State of Ethiopia under the theme “**Our Constitution for Our Renaissance.**” The Day will be marked by recognition of the benefits of the Constitution and its role in stimulating efforts to accelerate the Ethiopian Renaissance. Representatives of all of Ethiopia's Regional States and its nations, nationalities and peoples will be present, with cultural performances demonstrating traditional customs. Representatives of the Governments of Djibouti, Somalia, Kenya, Sudan and South Sudan are expected to take part in the celebrations.

The Speaker of the House of Federation, Speaker Kassa Teklebirhan, said high-level officials, investors, the Speakers of Regional State Councils, journalists and artists will visit various development activities being carried out in the Somali Regional State. The expansion of education in the regional state has meant the provision of equal opportunities, empowering the people in deciding their future. The region is now providing education to hundreds of thousands of students. It has **seven** higher learning institutions, including a University, named after the Region’s capital, Jijiga, and a nursing college. Water supply projects in different zones of the region, irrigation schemes, road construction and the building of numerous health posts, have been instrumental in improving the livelihood of the Somali people. The participation and engagement of members of the Ethiopian Somali Diaspora community in trade, investment and other sectors of development has greatly increased in recent years, following much improved security and stability in the region.

Ethiopia is, of course, made up of a multitude of over 80 nations, nationalities and peoples, and more than 70 languages. It is also a patchwork of many cultures, religions, traditions, life styles, and histories. State-society relations were poorly managed and governed under the previous monarchical and military regimes. They failed to accommodate differences and saw diversity as a potential menace that they believed could lead to balkanization. The systems they followed paved the way first for the 1974 revolution against the monarchy and then the demise of the military Derg regime. The current, Ethiopian Peoples' Revolutionary Democratic Front-led government, having understood the failures of the past regimes, has developed a system of democratic federalism that values and accommodates diversity within the realm of unity under the umbrella of the Constitution drafted in 1994.

The Constitution, ratified in 1995 by all the nations, nationalities and people of the country, enables them to exercise equality, to celebrate diversity, to fortify unity, and to work for the transformation and empowerment of their own lives. This means that the Constitution has solved, in the words of the late Prime Minister Meles, a challenge "that has massively contributed to Ethiopia's centuries-long journey back from the frontline of world civilization to one of the poorest countries on earth." The new Constitution, in fact, opens the door for Ethiopians to use their own free will and their full consent to achieve rapid economic development, democratization, good governance and peace and security. Federalism, in fact, has become a preferred system for the people of the country to follow the line of a unified political and economic society.

On the basis of this restructuring of state-society relations, Ethiopia has demonstrated significant progress in various fields, including sustainable economic development, human development, and improvement in peace and security. Many changes have been observed in the last two decades: the growth of an inclusive democracy, and of equity and justice, of human rights, youth engagement, infrastructural development, and social cohesion. The nation has gone a long way in registering deeply impressive economic growth that benefits the population at large, strengthening regional economic integration and the upgrading of infrastructural networks to allow the country to become a competitive stakeholder in the global economy.

The celebration of the Nations, Nationalities and Peoples' Day is to revitalize and galvanize the country's current development, democratization and peace, in order to attain the Ethiopian Renaissance. It is marked in recognition of the Constitution for its contribution in changing diversity from an existential menace into a potential force of harmony, which can speed up Ethiopia's Renaissance. This year the setting of the celebration in the Somali Regional State is in appreciation of the significant role [in] development played by the people of the Somali Regional State in many areas, in agriculture, health, education, the provision of drinking water, peace and stability, and participation in good governance. The Ethiopian-Somali people have contributed much to the peace and stability of the region by enhancing their partnership with the Ethiopian National Defense Force to fight against the externally-supported terrorist actions of the Ogaden National Liberation Front, and to support the region's impressive developmental and infrastructural projects.

In his message on the occasion of the Ethiopian Nations, Nationalities and Peoples Day, Dr Mulatu Teshome, President of the Federal Democratic Republic of Ethiopia, thanked the Nations, Nationalities and Peoples of Ethiopia for the huge sacrifices they have paid for freedom and unity. As a result, he said, today the people of the country were now able to enjoy their rights and build their dignity on unshakeable foundations. President Mulatu noted that Ethiopian Nations, Nationalities and Peoples Day was celebrated every year to commemorate the historic day on which Ethiopia's Constitution was first ratified, to recognize and honor this achievement. It was, he said, a day when the Ethiopian Nations, Nationalities and Peoples celebrate strengthening their democratic unity; "the day on which we declare to the world that our multi-national identity is built on solid foundations, show our tolerance, love, togetherness, and cooperation". He added that "this proud culture of our people is the result of our constitutional federal system". Urging people to work hard to realize the country's current journey on the path towards change and renaissance, he said that the entire nation, armed by the renaissance of Ethiopia and the Growth and Transformation Plan, was now able to consider the alternatives and participate in various investment and development areas, and therefore lead the country to speedy development. The result, said the President, was that the name of Ethiopia had come to symbolize the context of building a democratic system, peace, and stability.

Prime Minister Hailemariam, in an interview marking the Nations, Nationalities and Peoples' Day, said the Nations, Nationalities and Peoples of Ethiopia were capable of developing collective values and close cooperation and of reinforcing the unity of the country within the tenets of mutual agreement and mutual consent. He noted that the people of the Somali Regional State had long suffered from inadequate peace and

stability under previous regimes. They appreciated that in the last 20 years the region had transformed itself from a centre of conflict and instability into a theater of peace and development as part of the process of realizing the Ethiopian Renaissance, along with other regions of the country.

Earlier this week, Abadula Gameda, the Speaker of the House of Peoples' Representatives, reiterated that the Constitution had awoken the nation from a long slumber of ignorance, backwardness and poverty and brought it into the realization of the Renaissance and Re-birth of Ethiopia. He called on the youth of the region and the country to hasten along the path to sustainable development, in order to finally eradicate poverty, which remains an impediment to the country's development and survival.

Ethiopia is taking concrete measures to expedite accession to the WTO

The 9th Ministerial Conference of the World Trade Organization (WTO) is taking place in Bali, Indonesia, this week, from December 3-6. Ethiopia's bid to join the WTO began in 2003 and it sent a five-person delegation to the ministerial conference, headed by Ambassador Minelik Alemu Getahun, Ambassador Extraordinary and Plenipotentiary and Permanent Representative of Ethiopia to the United Nations in Geneva.

Ambassador Minelik told the plenary session of the conference that Ethiopia was taking concrete measures to expedite its accession to the WTO. He said Ethiopia has responded to three rounds of questions from Member States of the WTO, and submitted its initial Goods Offer and the required documents to the Working Party on Ethiopia's Accession. He said that Ethiopia had now finalized responses to the fourth round of questions, and produced a number of documents and was putting final touches to its initial offer on services for submission to the Secretariat of the WTO to be considered at the upcoming 4th meeting of the Working Party. He thanked Ambassador Steffen Smidt, Chairman of the Working Party on Ethiopia's Accession and the WTO Secretariat for their continued support for Ethiopia's Accession.

Ambassador Minelik said that Ethiopia was firmly convinced that **trade was a proven engine for economic growth and that membership of the international rule-based multilateral trading system would contribute to Ethiopia's drive towards sustainable development**. He stated that Ethiopia has been registering rapid economic growth over the last decade and that the Government was determined to continue to successfully implement pro-poor development policies and strategies, to attain middle-income status by 2025. To that end, the Government had been redoubling the efforts of its current five-year Growth and Transformation Plan to achieve the ambitious targets. It remained committed to continuing to consolidate economic measures, to building a regulatory framework that ensured competitive market conditions, and successfully completing accession to the WTO, consistent with Ethiopia's development objectives.

Ambassador Minelik noted that Ethiopia welcomed the adoption of the WTO General Council's Decision of July 25, 2012 on the Accession of Least Developed Countries (LDCs) aimed at strengthening, streamlining and operationalizing the 2002 Least Developed Countries Accession Guidelines, pursuant to the Decision of the Eighth Ministerial Conference of the WTO. In this connection, he underlined that the principles and benchmarks in goods and services, transparency in accession negotiations, and the principles of Special and Differential Treatment, the transitional period and the need for enhanced technical assistance and capacity building to help acceding LDCs, were important improvements. **He called upon all WTO Members to uphold these improved parameters for accession**. He said that Ethiopia counted on the WTO Secretariat, Member States and the Enhanced Integrated Framework to continue to support trade-related capacity building endeavors so as to prepare institutions for WTO Membership.

Ambassador Minelik took the opportunity to congratulate Yemen on its successful completion of the accession process to the WTO. He said Yemen and Ethiopia enjoyed rich historical and brotherly relations and added that Ethiopia would now be able to further enhance its economic ties and learn from Yemen's experience in its own accession process. He also welcomed the intent of the Sudan, another close neighbor, to accelerate its accession in 2014.

The WTO is negotiating a set of decisions for adoption at this 9th Ministerial Conference. These include: trade facilitation; some issues on agriculture including general services, public stockholding for food security purposes, tariff rate quota administration of agricultural products and cotton; decisions in favor of the Least Developed Countries (LDCs) such as preferential rules of origin for LDCs, operationalization of the waiver

concerning preferential treatment to services and service suppliers of LDCs as well as duty-free and quota-free maker access for LDCs. The monitoring mechanism on special and differential treatment is also part of the package under negotiation. While most of the decisions, in particular those dealing with LDCs issues are agreed, those that deal with trade facilitation and public stockholding for food security have been more difficult to achieve consensus on.

On the margins of the 9th Ministerial Conference, the Enhanced Integrated Framework (EIF) for trade-related technical assistance for the Least Developed Countries also held a Ministerial Breakfast on December 4, on the theme of “ EIF Post-2015: a partnership roadmap for concrete results delivery”. The event was moderated by Ms Arancha Gonzalez, Executive Director of the International Trade Centre, and was attended by Ministers from LDCs and donor countries. Ambassador Minelik, in his capacity as Chairperson of the Board of the Enhanced Integrated Framework, said that the EIF was supporting LDCs' integration into the global trading system through trade mainstreaming and creation of national structures for the coordinated delivery of aid-for-trade. The partnership among LDCs, donor countries, core and observer agencies and an increasing number of additional partners at the country level, he said, had been extended to the end of 2015, with an operational period up to the end of 2017. This was based on the recommendations of the Mid-Term Review of the EIF. He told the meeting that the EIF was embarking on a Comprehensive Evaluation of the Program to provide the basis for a decision on the future of the framework beyond the current period. He also underscored that the commitment of donors as well as the ownership and active participation of LDCs and partner agencies were critical for the continued successful delivery of the EIF. He noted that the EIF responded to LDCs' priorities and helped strengthen national structures and inclusive implementation mechanisms. The EIF support to LDCs included tackling supply-side constraints, fostering export diversification, and improving productive capacity.

He noted that the EIF sometimes had to contend with challenging political developments in Member Countries. These were not always conducive to the provision of continued support to LDCs, but the EIF had been able to deal with such developments through careful and close consultations with affected countries and EIF partner agencies. The EIF's success in handling such challenges, he said, and its effectiveness in the implementation of projects, however, also meant its financial resources were becoming depleted. He told the meeting that EIF had now reached a stage where the current status of the EIF Trust Fund was such that the financial resources available for allocation were not sufficient to cover the current funding requirements of the projects in the pipeline. He also indicated that there was an increasing interest from LDCs for others to join the EIF family. He said it was necessary to call upon development partners to provide the required resources, based on the commitments made to the Trust Fund. He also called on bilateral donors to enhance their support to use EIF structures to build up the trade capacities of LDCs. Ambassador Minelik also emphasized that it is equally important to continue to count on the strategic leadership from LDCs to make trade work for national development and build on the results achieved so far with enhanced monitoring and empirical assessment of impact on the ground. Similarly, he underlined the importance of partner agencies' expertise in assisting LDCs to better integrate trade in their national priorities and plans.

Ambassador Minelik pointed out that the EIF program was now gearing up towards the comprehensive evaluation to be conducted in 2014. This offered an opportunity to extend the program further and provide clearer understanding of EIF's contribution to the post-2015 development framework and the priorities for those countries most deserving continued support. He said the EIF envisioned continuing to deliver concrete results and boosting sustainable and inclusive outcomes with the support of all its partners.

Pan-African Chamber of Commerce and Industry Conference on free trade

For more than a decade, the African continent has seen remarkable advances in areas ranging from improved social services to robust economic growth. With the establishment of the African Union, the continent made the deliberate decision to move forward with a new set of agendas. It has devised Peace and Security architecture that serves as a framework for addressing the continent's conflicts and other security problems in a dynamic, timely and peaceful manner. The Peace and Security architecture can indeed be considered as the signature framework for the continent's aspirations to chart its own course and provide African solutions for Africa's problems.

The positive and continent-wide changes of recent times have also set the stage for long awaited and long overdue dialogue regarding the future of Africa. Revived with a new sense of confidence and independence,

Africa is boldly, but carefully, moving to examine its priorities and rearrange some of its established relationships, especially in economic areas, in ways that can bring fair and deserved benefits to Africans. With a dramatic decline in inter-state conflict, more stability within most of the continent's states and ever increasing economic growth, Africa now has an ideal opportunity to reflect on its structural, strategic and policy shortcomings and plot the way forward for continued prosperity and peaceful coexistence.

In spite of all the impressive developments and improving reports about the continent, however, at least one glaring mismatch has remained unresolved. Africa's share of global trade has shown encouraging developments over the last decade, but intra-Africa trade has remained at a paltry 20% of the continent's total trade volume. This share is particularly small when compared to the 80% achieved in Europe or the 60% in Asia. Indeed, most neighboring countries in Africa have what can only be called an unnaturally low volume of trade between them, even though conventional economic wisdom argues that geographic proximity should be a catalyst for more trade.

It was with the intention of solving this problem that the 6th Ordinary Session of the AU Conference of Ministers of Trade recommended fast-tracking the creation of a Continental Free Trade Area (CFTA); and at the 18th AU Summit, held under the theme of "Boosting Intra-African Trade", the AU Assembly of Heads of State and Government agreed to speed up the establishment of a Continental Free Trade Area (C-FTA) by 2017. As part of the process of providing a deeper understanding of what the C-FTA might hold for the future of Africa and to explore ways of co-operation between the private sector and government on issues of the C-FTA and trade negotiations, the Pan-African Chamber of Commerce and Industry held a two-day conference here in Addis on November 28 and 29.

Opening the Conference, Ethiopia's Prime Minister Hailemariam, the Chair of the African Union, praised Africa's entrepreneurial endowments, noting that "what strikes any visitor to Africa is the intense entrepreneurial spirit, the immense levels of optimism and the profound belief that nothing is impossible." At the same time, he admitted that Africa still faced numerous challenges, stressing that African economies "are far less integrated than should have been the case....we need to find ways of unlocking intra-Africa trade, which will be the real motor of Africa's growth." Calling the fact that neighboring African countries are not trading to any great extent with each other an "unsettling trend", the Prime Minister pointed to the poor levels of existing infrastructure as one of the major causes for unbalanced trade. The colonial era infrastructure had been designed and laid out with the sole aim of sourcing African resources and exporting them to European bases. It never took consideration of the interests of African societies. His call for rebuilding the continent's infrastructure in a way that would facilitate intra-Africa trade was one of the points that brought wide consensus among conference participants.

The infrastructure deficit, together with other non-tariff barriers to trade, certainly affects intra-Africa trade adversely. To put this in context, while it takes Singapore five days and costs about US\$500 to export a standard container, it will take more than 50 days and cost US\$2,000 for the same container in Angola. Customs is also another problem, with delays in customs' procedures being more pronounced in Africa than in any other region of the world. The average time taken for customs' processing in Sub-Saharan Africa currently stands at 12 days; Latin America's average is 6 days while the time taken in central and east Europe is a little over 4 days.

Working towards realization of the C-FTA, a number of priority actions that need to be taken have already been identified in connection with those issues mentioned above. In addition to infrastructure and customs, these priority actions also need to expand into value creation and credit mechanisms and other areas. Indeed, the priority actions presented for discussion during the Pan-African Chamber of Commerce and Industry Conference were: mainstreaming trade policy among African countries, trade facilitation, production capacity to create regional and continental value chains, developing multi-country and continental infrastructure to boost trade, developing financial institutions and mechanisms to support intra-Africa trade, improving access to trade information, and promoting intra-regional harmonization of regulations and factor mobility.

For this, perhaps still visionary roadmap for Africa's integration through trade, the role that the private sector can and should play is obvious, and hardly needs to be underlined. Investing in areas in which the continent can gain most from value addition and job creation, efficiently using the limited capital the continent has, efficiently utilizing Africa's rich natural resources, investing in the manufacturing sector and

in knowledge creation are all areas that the private sector could and should consider in its business and trade engagements. Equally, the role that the state should assume must be seen in terms of delivering the required infrastructure and institutions. The combination of activity by states and by the private sector is necessary for the Continental Free Trade Area to be realized by 2017.

The Second Annual Meeting of “Powering Africa - Ethiopia”

Energy Net Consulting Services (UK) organized the 2nd Annual Powering Ethiopia Executive Meeting last week (November 28-29) in Addis Ababa, to discuss and debate developments, issues, challenges and investment opportunities for Ethiopia’s energy sector. Designed as an executive dialogue, the meeting brought together Ethiopian ministers and officials in the energy sector with international and local interests in power and infrastructure development, as well as potential investors in the region. The meeting was organized under the theme “Unlocking Ethiopia’s Private Power Market” and it attracted participants from power and energy companies, financial and industrial companies, power consultation firms, manufacturers, engineering and technology companies, equipment and machinery suppliers and international power infrastructure developers.

The meeting was endorsed by the Ethiopian Ministry of Water, Irrigation and Energy, the Ethiopian Electric Power Corporation and the Ethiopian Electricity Agency, and the “Powering Africa: Ethiopia” program focused on policies and regulatory frameworks; regional power interconnectivity; developing a green economy; structuring a bankable power purchase agreement (PPA); attracting foreign direct investment; and power for industrial growth. In his remarks, the Minister of Water, Irrigation and Energy, Ato Alemayehu Tegenu, noted that Ethiopia had formulated a development strategy targeting accelerated socio-economic growth and development that was “socially and environmentally responsible”. He stressed that the Government was committed to achieving energy security in Ethiopia by enhancing its ability to secure sustainable energy supplies to meet the country’s energy needs, at reasonable prices and at the right time. This indeed had become its major energy policy imperative. Equally, Ethiopia was committed to enhancing transmission capacity to boost the deployment of renewable energy resources. Underlining the importance of power supplies in fuelling development, he said that Ethiopia’s major objective during the five-year Growth and Transformation Plan period, and beyond, had been to meet the growing demands for energy in the country by providing sufficient and reliable power supplies that also meet international standards at all times. He also noted that the government was aggressively working to cultivate a wide variety of the country’s potential energy resources to enhance the nation’s energy generating capacity to 10,000mw by 2015.

The Minister pointed out that a major pillar of its energy policies was the move into hydro-electric power development as well as other renewable energy generation projects. It was also steadily and persistently expanding and strengthening existing transmission and distribution lines, to provide improved access to rural villages all over the country. In the Ethiopian context, he said, the electrification of villages and houses had immense potential for accelerating the process of economic growth as well as in reducing poverty and indeed for overall human development. He added that the development of alternative energy from renewable sources such as wind, geothermal, solar and biomass projects, as well as energy efficiency measures, were a key element in Ethiopia’s ‘energy mix’, and in addition they were all integrated into the country’s new Climate Resilient Green Economy strategy. This, he pointed out, had the ambitious objective of transforming the country into a climate- resilient green economy by 2025.

Speaking of off-grid supplies, the Minister said that because of the incentives and direct financial support provided by the government, the private sector was engaged in the dissemination of solar technologies in rural areas. This had encouraged a high demand for the relevant technology. He said the government has developed a bio-fuel strategy with a focus on allocation of **marginal** land for bio-fuel plant cultivation, accelerating bio-fuel and bio-diesel development and technology transfer, increasing domestic use and export earnings from bio-fuel and enhancing domestic coordination and international cooperation for the development. Private investment was also increasingly involved in bio-fuel production. The Government also recently signed an agreement with Reykjavik Geothermal, a US-Icelandic development company, to develop 1,000 MW of geothermal energy in Ethiopia. This involves an investment of some US\$4 billion over an 8-10 year period, and the Corbetti Geothermal Project will be the largest single geothermal power plant built in Africa.

The Corporate Planning Director of the Ethiopian Electricity Power Corporation (EEPCO), Ato Mekuria Lemma, described Ethiopia's energy policies and regulatory frameworks. He said the government was currently developing more powerhouses and a policy to aggressively expand utility service delivery to end users. It was working to develop power from diverse sources to alleviate energy shortages and limitations in delivery for the demand, currently growing at more than 20% a year. Ethiopia had also, he said, recognised the need to upgrade and expand transmission and distribution systems in order to deliver the energy generated to the consumer in an efficient and reliable manner. The 25-year **Energy Master Plan** aims to achieve 95% electrification by 2037.

Ato Belayneh Gizaw, representative of the Ethiopian Electric Agency, the body responsible for regulation of operations in electricity supply, including licensing and ensuring safety and quality standards, said the government had laid the groundwork for participation of the private sector investment in power generation. This framework included the Electricity Proclamation, the Investment Proclamation and Electricity Operations Regulations. It allowed private sector investment in power generation without any capacity limit, though the main prerequisite was to reach an off-take agreement (power purchase agreement) with the national grid operator, EEPCO. In off-grid areas, private investors have the opportunity to generate and distribute power to their own customers through mini-grids.

The second session of the meeting, on the theme "**Regional Power Interconnectivity**", attracted considerable attention. It was emphasized that the nations in the Eastern Africa region were trying to meet poverty reduction goals while, at the same time, their "industrial, commercial, and transport sectors and urban and middle-income consumers are using energy at unprecedented rates." All were under immense pressure to secure reliable, sustainable, and reasonably priced energy supplies to meet ever-increasing demands. In the case of Ethiopia, there will be new power demands for the planned railway electrification, from increasing irrigation, the proliferation of industrial zones, increasing regional demands, the effects of rapid urbanization and increasing commercial sales as well as expanding industrial, commercial and residential consumers. Ethiopia also envisaged the additional objective of exporting power to neighboring countries.

According to EEPCO's power demand projections for the year 2037, the high-case scenario assumes total electric demand for irrigation reaching 17,500 GWh, railways 9,000 GWh, industry 80,000 GWh, commercial sales 13,000 GWh, and domestic sales 15,000 GWh. Total energy sales are projected to grow from 5,204GWh in 2012 to 142,884GWh by 2037. A recent study conducted by the East African Power Pool (EAPP) also indicated that the demand from Ethiopia's neighbors could reach around 25,000 GWh in 2037. The development of regional infrastructure projects (power system interconnection projects) is a necessity for realistic development as most African countries are unable to generate the economies of scale that can be found in larger markets. Ethiopia has, therefore, devised a strategy for accelerating cross-border power trading with its neighbors to spur regional economic growth. Estimated costs of the 25 year power expansion plan, however, amount to US\$156 billion and private sector involvement is highly encouraged.

The meeting also heard that the Government is working to improve energy regulatory frameworks and substantially improve the business environment for investors in order to enhance private sector participation. In a session entitled "The Role of the Ethiopian Foreign Ministry in Attracting FDI to Ethiopia's Energy Sector", speakers underlined that Ethiopia's energy programs had political support and intended to boost confidence and attract more investment in the sector. The Government is currently promoting and facilitating inward FDI as a major source of capital, employment, skills, and technology. The country's Foreign Policy and National Security Strategy clearly states that diplomatic activity must serve the country's economic agenda. The commitment to attracting foreign investment is reflected in its restructuring of the Foreign Ministry and its diplomatic missions to centre core activities on the promotion of trade, investment, technology transfer and tourism.

Participants from the private sector emphasized the importance of encouraging competition to attract investment to the power sector through an open bidding process. They also underlined the value of attracting private finance through encouragement of Independent Power Producers (IPPs). The Ministry of Water, Irrigation and Energy has in fact drafted a feed-in tariff bill to establish rates and conditions for IPPs to sell electricity to the national grid.

Speakers underlined the point that the power sector is at the heart of Africa's infrastructure expansion, as suggested by a study from Deloitte: "**African Construction Trends Report 2013**", presented during the meeting. This stresses the importance of effective strategic planning integrating operational, commercial and technical aspects and effective project management; and recommended addressing inadequate contract planning and difficulties in managing and reporting risk levels. The report concluded: "Africa holds the attention of the world. As the continent from which all life is believed to have originated takes on improved infrastructure form, there is much to be learnt. There is equally much that Africa can teach as it resolutely walks its developmental path. Infrastructure development can help this continent of over one billion people stand firmly on its own. Africans, after all, hold one of the most important potential masterpieces of the world in their hands."

An Iranian Parliamentary Friendship Group meets State Minister Ambassador Berhane

The State Minister for Foreign Affairs, Ambassador Berhane Gebre-Christos, held discussions on Thursday (December 5) with the Iranian Parliamentary Friendship Group, led by Mohammad Mehdi Zahedi, President of the Iranian Parliament Commission for Education and Science.

Ambassador Berhane welcomed the group, mentioning the long relations between Iran and Ethiopia, dating back to the time of the Sassanid and Axumite Empires in the early first millennium. He briefed the delegation on the substantial economic growth that Ethiopia had been experiencing in the past ten years and its creation of opportunities for the reduction of poverty. These efforts had led to the registration of double digit GDP growth rates for a decade and helped Ethiopia become one of the fastest growing nations in the world. It had also performed well in infrastructure, particularly in road and railway construction and renewable energy, he said. He underlined Ethiopia's commitment to peace and stability and to the development of the Horn of Africa in particular and of Africa in general. He detailed its efforts in mediating the dispute between Sudan and South Sudan, and added that Ethiopian soldiers were deployed in Abyei region with the mutual consent of both the Sudan and South Sudan. He outlined the way Ethiopia was committed to facilitating conflict resolution and the reconciliation process in Somalia. Ambassador Berhane explained that Africa as a whole was now on the cusp of a new global growth pole. He said it was an appropriate moment for Iran to bolster its relations in the economic, political, and diplomatic arenas and hasten the transformation of the Iranian and African peoples.

Mr Mehdi Zahedi said the delegation appreciated the way the Government of Ethiopia managed to accommodate its diversity of a myriad of nations, nationalities and peoples of the country and its progress in achieving the current transformation to reduce poverty. He further applauded the country's political system that, he said, encouraged unity and cohesion in diversity, as well as cultural and religious tolerance, mutual cooperation and understanding, and the peaceful co-existence of the different nations, nationalities and peoples. He recognized that the sustainable development, democratization and peace of Ethiopia had contributed a lot to the peace and stability of the Horn and beyond, and that it would contribute much more. He mentioned that Ethiopia and Iran had many things in common. Neither had ever been colonized, they had time-honored relations, and were both important players in the Non-Aligned Movement and the G-77. This, he said, could galvanize their relations and allow them to integrate and coordinate their efforts in regional and international affairs.

Mr Mehdi Zahedi stressed that both countries ought to strengthen relations in the fields of investment, trade, agriculture, medicine and pharmaceutical production, research, education, and the exchange of visits between universities. He indicated that Ethiopia could export agricultural and agro-processed products to Iran, and that in return, Iranian investors could engage in agro-processing, textile factories, leather processing, manufacturing, mining, dam construction, hydroelectric power generation, road and railway construction, and other sectors. Ethiopia should open an embassy in Tehran, he said, to expedite cooperation and partnership between the two countries in investment and trade areas by engaging Iranian investors, experts and members of the business community, he urged. This would help Ethiopia accelerate technology transfer and human resource development, and draw lessons from Iranian investors and its business community through exchanges of experience.

Ambassador Berhane acknowledged the need to enhance relations in these areas, and added that Ethiopia would open an embassy in Tehran in the future to fast-track the various developmental projects. Ethiopia's door, he said, would always be open to embrace Iranian investors and members of its business community

who wished to benefit from trade and investment opportunities which could push forward the mutual interests and long-lasting relations of both countries. He noted that the Joint Ministerial Commission would improve and consolidate the diplomatic, political and economic cooperation of the two countries; and he recommended that people-to-people relations should be strengthened through cultural exchanges. Mr Seyed Mohammed Sadat Ebrahimi, a Member of Parliament for Educational Affairs, expressed his gratitude to Ethiopia for giving shelter and freedom to the earliest followers of the Prophet Muhammad when they had to escape persecution in Mecca. He said the Iranian people always remembered and recognized Ethiopia as a land of equality and justice for all, regardless of religious, color, ethnic or any other differences. He emphasized that this could provide a benchmark as the basis for forging strong and cordial relations between the two nations in the future.