

# **A Week in the Horn**

## **13<sup>th</sup> March 2015**

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### **Africa and African Union**

The 9<sup>th</sup> Annual Joint Consultative meeting between the African Union Peace and Security Council (AUPSC) and the United Nations Security Council (UNSC) took place in Addis Ababa on Thursday (March 12). Discussions covered ways and means of enhancing AUPSC- the Great Lakes Region, the Central African Republic, South Sudan, Mali and the Sahel, Libya, Somalia, Darfur, combating the activities of Boko Haram, and a review of UN Peace Operations.

The International Road Federation conference “Road Safety Challenge for Africa”, supported by the United Nations Economic Commission for Africa (ECA), the World Bank and the African Union, was held in Addis Ababa on Wednesday (March 11). In a message, UN Secretary-General Ban Ki-Moon urged governments to develop road safety policies and provide measurable targets for ending the continent’s high accident rate. He pointed out that young people were the most vulnerable road users and pedestrians comprise 38 per cent of road fatalities.

### **Ethiopia**

The CEO of the US Company, Global Electric Transportation, Mr Ken Monter, meeting with President Dr Mulatu Teshome, said his company would start building an assembly plant for electric cars in Ethiopia later this year.

Prime Minister Hailemariam Desalegn and Foreign Minister Dr Tedros Adhanom are among 25 heads of state, government ministers and others, including U.S. Secretary of State John Kerry and the head of the International Monetary Fund, Christine Lagard, attending Egypt’s Economic Development Conference in Sharm El Sheikh this weekend (March 13-15).

Prime Minister Hailemariam Desalegn, meeting with Prime Minister Omar Abdirashid Ali Sharmarke of Somalia in Addis Ababa on Monday, (March 9) said Ethiopia would continue to extend all round support to Somalia's reconstruction and stability in major areas including training for military, police and capacity building programs. He said Ethiopia would double the number of scholarships it gives to Somali students to 300.

Foreign Minister Dr Tedros conferred with Somali Prime Minister Omar Abdirashid Ali Sharmarke on Monday (March 9) on ways to strengthen the strategic partnership between the two countries. The discussion also covered the current political and security situation.

The 9<sup>th</sup> Northern Corridor Integration Projects Summit was concluded in Kigali, capital of Rwanda on Saturday (March 7). The Summit, which was attended by the Presidents of Rwanda, Kenya, South Sudan, and Uganda, with the President of Tanzania, the Vice President of Burundi and Ethiopia's Foreign minister, Dr Tedros Adhanom as observers, endorsed the recommendations of the ministerial report and gave directions to fast-track implementation of 14 projects. (See article)

On the sidelines of the 9<sup>th</sup> Northern Corridor Integration Projects Summit, Dr Tedros Adhanom accompanied by Ambassador Degife Bulla, Ethiopia's Ambassador to Uganda and Rwanda, held a meeting with representatives of the Ethiopian Diaspora in Kigali, on Saturday (March 07), held discussions with members of the Diaspora and briefed them on the implementation of the Growth and Transformation Plan, Ethiopia's relations with its neighbors and infrastructure development projects.

An Ethiopian Cultural Troupe from the Gamo Gofa Zone of the Southern Nations, Nationalities and Peoples' Regional State provided a musical and cultural performance on Sunday (March 8) for the residents of Kibale District in Uganda at the invitation of President Museveni for the celebrations marking International Women's Day. (See article)

Foreign Minister Dr Tedros met with Mr Gabriel Schulze, founder, Chairman and CEO of Schulze Global Investments on Thursday (March 12). Discussions covered sector-specific investment opportunities, the maximizing of investment inflows and future regional trade and investment opportunities in the East African region.

State Minister Dewano Kedir opened an Ethiopian, Italian and Greek Trilateral Investment and Business Networking Forum on Wednesday (March 11) in Addis Ababa and welcomed the business delegations attending to explore investment and business opportunities.

A delegation led by Ambassador Berhanu Kebede, Ethiopia's Ambassador to the UK, briefed the International Coffee Council last week on the preparations to host the 4<sup>th</sup> World Coffee Conference in Addis Ababa next year. (See article)

The anniversary of the start of the construction of the Grand Ethiopia Renaissance Dam, marking the start of the 4<sup>th</sup> year of operations, will be celebrated on March 28 with a concert in which famous musicians, vocalists, artists and comedians from around the country and abroad will participate under the theme: "A United Melody for Renaissance."

Ethiopia is becoming a preferred tourism destination for tourists from Oman according to the Country Manager of Ethiopian Airlines in Oman, Mr Sami Muctar. He said last year some 10,000 people from Oman visited Ethiopia and the number is expected to be at least 10% higher this year.

## **Djibouti**

Somali Prime Minister, Omar Abdirashid Ali Sharmarke on a two day official visit to Djibouti on Thursday (March 12) met with President Ismail Omar Guelleh to discuss security, business and bilateral relations. The President promised that his government would provide all the necessary support to the Somali government for [Somalia's] reconstruction and for the war against terrorism.

The Red Sea Trade and Industry Bank (BCIMR) of Djibouti opened a representative office in Addis Ababa last week (February 26). The Red Sea Trade and Industry Bank provides banking services in Djibouti, Sudan, Somalia, Yemen and other countries in the region, focusing on trade financing. It aims to help encourage Djibouti investment in Ethiopia.

## **Kenya**

Kenya's Cabinet on Tuesday (March 10) approved the establishment of the Regional Center on Small Arms for the Great Lakes Region, the Horn of Africa, and the Bordering States (RECSA). The center will address the proliferation of illicit small arms and light weapons whose effects can be seen in insecurity in both urban and rural parts of the country.

## Somalia

A multi-donor trust fund to deliver capacity development in Somalia has been launched by the IMF to improve macroeconomic institutions, policies, and data systems. The fund has received commitments of \$3million from the Arab Fund for Economic and Social Development, \$2.5 million from the Canadian Department for Foreign Affairs, Trade and Development, and \$1.1 million from the United Kingdom's DfID.

Al-Shabaab launched a suicide attack on the headquarters of the South West State administration in Baidoa on Thursday (March 12). Southwest State President Sharif Hassan and other high ranking officials present in the building were unharmed, but ten people died including the six attackers. The Special Representative of the African Union Commission Chairperson for Somalia, Ambassador Sidikou, described the attack as a desperate attempt by Al Shabaab to seek relevance, following massive defeats by the Somali National Army and AMISOM.

A U.S. official said on Monday (March 9) that the United States had withdrawn a \$3 million bounty linked to the capture of a high-level member of Al-Shabaab, Zakariya Ismail Ahmed Hersi. Hersi, described as the general secretary of Al Shabaab's finance department, defected in December. The Somali government welcomed the move which it said supported its efforts to persuade senior figures to quit Al-Shabaab.

A senior al-Shabaab official, Abdullahi Ahmed Muhumed, described as a top official in Al-Shabaab's Amniyat Unit which deals with intelligence, assassination and suicide bomb training and recruitment, has surrendered. Mr Muhumed, alleged to be behind many recent bombings, is said to be "ready to help the government fight the terrorists."

The Special Representative of the UN Secretary General, Nicholas Kay, and the Special Representative of IGAD, Ambassador Mohamed Abdi Afay arrived in Kismayo on Saturday (March 7), to witness the inauguration of the Jubaland parliament.

Somaliland's Electoral Commission spokesman, Saed Ali Musse, announced on Monday (March 9) that the presidential elections, due to take place on June 26, had been postponed for nine months. The decision was supported by the ruling party, Kulmiye and by the two opposition parties, Wadani and the Justice and Social Welfare Party.

## South Sudan

Following the adjournment of the IGAD-mediated South Sudan peace talks last week, Ethiopian Prime Minister Hailemariam, the Chair of IGAD, in a message to the people of South Sudan said IGAD, its partners and friends "would hold the Parties to their commitment to form a transitional government by July this year." IGAD is now looking for a renewed joint effort to find a reasonable and comprehensive solution to end the crisis in South Sudan. (See article)

The Special Representative of the UN Secretary-General to South Sudan, Ms Ellen Margrethe Løj, visiting Malakal, which has changed hands on six occasions, said she was appalled by the level of destruction. She also expressed grave concerns about the forcible abduction of children for military forces.

## Sudan

The Sudan government, the African Union and the United Nations resumed talks this week on the eventual exit of the joint UN/AU Mission (UNAMID) in Darfur region. The three parties earlier reached an agreement on the terms of reference for the exit strategy; meanwhile, since February, the Mission has undertaken a review of its strategic priorities, realigning its resources and staffing.

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## IGAD considers changes to the South Sudan peace process

On Friday last week [March 6], the IGAD mediators adjourned the South Sudan peace talks after President Salva Kiir and Dr Riek Machar failed to make any serious progress towards resolving the outstanding issues of the mediation agenda laid out in the Working Document of February 1. Amongst these were the structure of the executive for the Transitional Government of National Unity, the power sharing ratios, the composition of the National Assembly and transitional security arrangements. Despite all efforts by IGAD Chairman, Prime Minister Hailemariam and the mediators and in defiance of the UN Security Council resolution 2206 (2015) passed on Tuesday last week, the two sides remained obdurate.

There had been considerable hope that the two parties would realize the increasing concern of the international community and make every effort to reach an agreement and respect IGAD's March 5 deadline to conclude preliminary negotiations and begin the pre-transitional period in April to form a Transitional Government of National Unity no later than July 9. To the dismay of the people of South Sudan and the international community, the deadline has not been observed and the opportunity passed without producing the necessary breakthrough. The failure of the peace talks triggered international disappointment targeting both President Kiir and Dr Machar. UN Secretary General Ban Ki-moon denounced the lack of "statesmanship" displayed by the South Sudan leadership. He strongly warned the parties to refrain from any attempt to escalate the conflict and underlined the necessity of resuming the peace talks. He said the South Sudanese leadership was lagging behind the expectations of their people and the patience of international community was running out. The time was coming when they would not be able to endlessly continue sending their people into harm. The UN Security Council's resolution on March 2 established a framework for a sanction regime for South Sudan but stopped short of imposing worldwide travel bans and asset freezes on officials or an arms embargo. This unanimously adopted resolution, drafted by the United States, however threatens to blacklist anyone undermining security or interfering with the peace process after the April 1 deadline set by IGAD. The resolution and other comments from members of the international community are sending a very clear signal to those who continue to choose war over peace: they will remain accountable.

Prime Minister Hailemariam said the situation was "unacceptable, both morally and politically", and in the strongest possible terms he blamed the South Sudanese leadership for "continuing the war, flagrantly disregarding the interest of their people." In a statement addressed to the people of South Sudan, Prime Minister Hailemariam noted that individuals on both sides continued to wreak havoc, casting a shadow over the assurances of the commitment to lasting peace that both President Kiir and Dr Machar had given to IGAD member states. Despite this, both parties had retreated to their old position of disregarding all the pleas of the regional actors. They had shattered the peace process, and appeared uncomprehending of what leadership role they could play in a situation of such crisis. They had, in fact, said the Prime Minister, betrayed their people through their lack of courage, failing to reach out to make difficult compromises or offer alternatives for the sake of peace. The Prime Minister emphasized that the peace process must be reinvigorated and reformed. He said he would consult with colleagues, IGAD leaders, partners and friends in the region, on the continent, and beyond to agree on a common plan of action. He also underlined that IGAD and the international community would expect to hold the parties to their commitment to form a transitional government by July this year. He said all the efforts of the regional actors and of their international partners would be brought to bear on the warring parties to convince them to come to their senses.

In conclusion, the Prime Minister urged the people of South Sudan to remain vigilant against spoilers and refuse any support to those who propagate war, destruction and killing. He called upon the people to be unequivocal with their leaders; to choose reconciliation and not injustice; to choose dialogue and not rigidity. He expressed his hope that peace would prevail. The people of South Sudan need this and deserved no less. On behalf of the people of Ethiopia, and the people of the entire IGAD region, he said, we stand with you at this difficult and disappointing time: we remain hopeful that the promise of peace will be fulfilled in the near future. To achieve that goal, IGAD, joined by the friends of South Sudan from Africa and abroad, intend to implement a common plan and table a reasonable and comprehensive solution to end the crisis in South Sudan.

On Wednesday (March 11), Ato Tewolde Mulugeta, spokesperson for Ethiopia's Ministry of Foreign Affairs said IGAD planned to resume the peace talks between the South Sudanese warring parties early next month, though no date was yet decided. The spokesman said the two parties would continue their discussions in the

presence of representatives from the African Union, the United Nations Security Council, and the Troika countries: the US, Britain and Norway. IGAD mediators and IGAD are now considering a formula which would involve a larger number of regional and international countries and organizations which could provide additional leverage on the two parties in order to encourage them to accelerate the end of the conflict and the formation of a transitional government. The two parties have also indicated that they are in consultation with various members of the regional and international communities to try to find a new approach, a new mechanism to revive the peace process. They both repeated their commitment to the peace process and to reaching agreement. However, they have each continued to blame the other for the breakdown of the talks.

In Juba, President Kiir's spokesperson, Ateny Wek Ateny, said the IGAD leadership was in consultation with the heads of state and government in the region and internationally to decide on the modalities to use as "the first approach did not work." He added that they now wanted to try another model. James Gatdet Dak, spokesman for Dr Machar, said they had also been approached on the new mechanism, and he suggested a new "IGAD-plus" formula would likely involve "a multi-stakeholders mediation mechanism which might include the countries of Troika, European Union, United Nations and China." Other possibilities might include South Africa and Tanzania.

James Dak said the SPLM-in-Opposition would welcome active participation by other countries and international organizations to assist IGAD in the peace process. He said the SPLM-in-Opposition was committed to achieving a lasting peace in the country and would welcome a new approach which would ensure a meaningful peace agreement to end the conflict. He blamed the Government for the failure to reach agreement and said the government was trying to avoid federalism or a reform agenda for the country. Mr Dak said these were not "impossible demands" as the government claimed but critical for achieving a lasting peace, good governance and prosperity in South Sudan.

Ann Itto, acting secretary-general of the Sudan People's Liberation Movement (SPLM) allied to President Kiir, told a press conference that the SPLM and the Government would continue to work for peace and stability. She said it was disappointing that the delegation had not returned with a peace agreement, adding that "we are also aware of the daily challenges each family of South Sudan faces in finding food, in finding school fees in some areas where there are difficult humanitarian situations as a result of the war." She said the SPLM appealed to the South Sudanese people "to remain patient, united and committed to the peaceful means of finding [a] solution". She said the SPLM had called for more time for the government to negotiate a peace agreement with the opposition. South Sudan's Deputy Foreign Affairs and International Cooperation Minister, Peter Bashir Gbandi, said the government remained ready to resume negotiations with the rebels whenever IGAD calls for the resumption of talks. He said: "The government has agreed in principle to bring peace to the country and we will leave no door untouched and unknocked. We will work with the region, the international community and everybody who has a role to play to help us reach a peaceful settlement of the conflict because we believe in dialogue [rather] than violence."

Not for the first time, the two sides continued to accuse each other of responsibility for the failure to agree last week. Incumbent Vice-President James Wani Igga said the talks hit deadlock after the opposition raised nine impossible demands, including wealth and power sharing, the system of governance during the transitional period and the reintegration of forces. The Opposition denied making any impossible demands and blamed the government for showing a lack of interest in addressing the root causes of the conflict. A spokesperson said "the government bears complete responsibility for the collapse of the talks and the ongoing offensives in the country. They believe in violence as a way to resolve this conflict."

### **The Northern Corridor Summit calls for "more and faster" action**

The Northern Corridor Integration Projects Initiative, underlining the importance of regional integration for the transformation of East African economies, has sent a clear signal that it is possible to turn commitments for regional integration into a practical and tangible reality. The Initiative, which is pioneering steps to enhance the lives of the people and help the economies of the region take off, has demonstrated an impressive harmony between political commitments and implementation of identified projects in moving towards the creation of economic and political integration in the region. The Initiative has already yielded a number of fruitful results, including the use of national ID cards to travel between partner states; the removal of non-tariff barriers hindering trade; issuance of a single tourist visa; the establishment of a single customs territory; and the launch of a National Electronic Window System by Kenya and Rwanda.

One of the Northern Corridor Integration projects, designed to link the land-locked countries of Rwanda, South Sudan and Uganda to Kenya's port of Mombasa, is pressing ahead with the positive gains already made to shape the future aspirations and needs of the peoples of the region. Overall, the identification of some fourteen projects within the Northern Corridor Integration Projects Framework has demonstrated just how regional integration can be speedily and effectively driven by political resolve and by the practical application of agreement. It will result in major changes to the lives of the communities residing along the corridor.

The 9<sup>th</sup> Northern Corridor Integration Projects Summit, preceded by a meeting of senior officials and a meeting of Northern Corridor Ministers, was concluded over last weekend [March 7 to 8]. It emphasized the achievements made so far, underlined the challenges still facing member states, and displayed renewed momentum to fast-track implementation of the fourteen projects identified within the regional framework. After considering the Ministerial Report and endorsing its recommendations, it gave firm directions on implementation of the identified projects. The Summit brought together President Kagame of Rwanda, chair of the 9<sup>th</sup> Northern Corridor Integration Projects Summit, President Yoweri Museveni of Uganda, President Uhuru Kenyatta of Kenya, and President Salva Kiir of South Sudan. Also present as observers were President Jakaya Kikwete of Tanzania, the Chairman of the East African Community and Dr Richard Sezibera, Secretary General of the East African Community; Vice-President Gervais Rufyikiri of Burundi; and Dr Tedros Adhanom Ghebreyesus, Minister for Foreign Affairs of Ethiopia, attending on behalf of Prime Minister Hailemariam Desalegn, as well as representatives of the private sector from partner states and the East African Business Council.

President Kagame, extending his thanks to the leaders of the Northern Corridor member states for placing regional integration projects high on the agenda of their developmental vision, underlined that political will and prompt follow-through were necessary to get tangible results. He said that: "all the countries represented here seek the prosperity and well-being of our citizens; and we want this as soon as possible." President Kagame stressed that notable progress had already been made together and this "should motivate us to do more and faster." He said the Summit was focused on devising a blueprint to hasten the different integration programs that could transform the lives of the region's citizens, and added; "we are all encouraged to be more involved and to stay the course and focus on the desired outcomes." President Kenyatta noted that the political commitments they had made so far encouraged the corridor to stay on a positive course to achieve its goals. President Kenyatta said "The spirit of commitment has enabled us to make tremendous progress towards integration of our region. Our sole purpose and motivation is to see how, through greater connectivity, we can pull our people together to make the region prosperous." He reiterated the urgency to provide contributions to create an economically strong as well as a middle income region in the shortest possible time.

Dr Tedros said that Ethiopia was appreciative of the desire of the Northern Corridor member states for greater economic integration. He said it was encouraged by the notable progress made in the Northern Corridor and stressed that it could be complemented by other webs of infrastructure interconnectivity, corridors and regional frameworks, all focused on integration. The Corridor ought, for example, to complement the Lamu Port-South Sudan-Ethiopia Transport Corridor Project (LAAPSSET) between Ethiopia, Kenya and South Sudan. Dr Tedros emphasized that the Northern Corridor would speed up the integration and unity of Africa. It featured sustainability of political will for integration and underlined the importance of continuous improvement for progress. Dr Tedros said the Northern Corridor Integration Projects Initiative was an exemplary model of intra-African integration. Vice-President Gervais Rufyikiri told the assembly that Burundi has completed its period of observer status within the regional framework of the Northern Corridor Initiative and it had now decided to become an active member. He added that it would therefore join in the different infrastructure projects now being undertaken.

The summit concluded with the issue of a joint communiqué. This welcomed the results gained so far in the implementation of the various projects under the Northern Corridor Initiative. The Heads of State expressed their strong desire and their resolve and determination to work jointly in concert on the regional roadmap to speed up the integration process with a view to improving the lives and livelihoods of the peoples of the Northern Corridor Region. They welcomed the contributions of the private sector for promotion of regional integration and agreed to set up closer partnership with the private sector for delivery of Northern Corridor projects. The Heads of State, taking note of the increased volume of traffic for voice calls following the operationalization of the One Network Area, welcomed the reduction in calling rates which had impacted

positively on the cost of doing business in the region. It had also fostered closer interaction among the citizens of the region. The Heads of State also noted the remarkable progress that the granting of the Fifth Freedom Traffic Rights had made in enhancing competitiveness among regional airlines.

Regarding the Standard Gauge Railway (SRG) Development, the Heads of State, noting the positive moves made towards the ratification of the SGR Protocol, directed their Ministers of Transport to devise policies that would promote Northern Corridor private sector investment. With reference to the Single Customs Territory, the Heads of State, witnessing the notable progress made towards clearance of cargo at the Port of Mombasa and appreciating the integration of the Regional Customs Transit Guarantee System with the Revenue Authorities Systems, welcomed the entry of South Sudan into the Single Customs Territory. On Defense, Peace and Security Cooperation, the Heads of State agreed to welcome the formation of a Comprehensive Conflict and Dispute Resolution Mechanism and decided to direct its operationalization. They urged Kenya to fast-track ratification of the agreed Defense, Peace and Security Pacts. In this connection, the Summit also commended the progress made so far in the development of a Mechanism for the coordination of Foreign, Defense, Peace and Security policies.

With regard to the financing of the Northern Corridor Integration Projects, the Heads of State instructed their Ministers of Finance and Ministers of Infrastructure to promptly consolidate the financial requirements for the mainstream projects and make relevant and necessary appropriations for the next financial year 2015/2016 and in subsequent national budgets. The Heads of State also directed Ministers of Finance to send a joint mission to China to explore financing according to the Northern Corridor directive. Concerning the Infrastructure Corridor, the Heads of State welcomed the creation of a Land Cluster, and accepted the offer by the Republic of Kenya to coordinate the cluster activities. The Heads of State also instructed the Ministers responsible for land to fast-track the process of land acquisition for urgent Infrastructure Projects. In relation to the Oil Refinery Development, the Summit disclosed that a Lead Investor had been identified and commended the interest of member states for public share participation in the project. Uganda was urged to fast-track the formation of the National Oil Company and its subsidiary, the National Refining Company, as prerequisites for the formation of the Special Purpose Vehicle to implement the Refinery Development Project. The Heads of State also endorsed the recommendations and directives for the remaining projects, including Human Resource Capacity Building, Power Generation, Transmission and Interconnectivity, Crude Oil Pipeline Development, Refined Petroleum Products Pipeline Development, Commodities Exchange, Immigration, Tourism, Trade, Labor and Services. The Heads of State decided that the next Summit should be held in Uganda in two months time.

The 9<sup>th</sup> Northern Corridor Integration Projects Summit clearly demonstrated the possible future for member states of the Corridor, reflecting on implementation of previously identified projects and looking to the success of the projects. Given the generally slow movement of intra-African trade due to minimal infrastructure interconnectivity, the pace and scope of the development of the Northern Corridor, established in 2013, encourages optimism. It is showing considerable progress in **fast-tracking regional development through the creation of enabling conditions for joint infrastructure, trade, political and economic integration processes**. The participation of the private sector within the framework of the Northern Corridor Integration Projects is also indicative of the importance of a holistic approach to encourage regional economic and political integration. The Northern Corridor Integration Projects initiative is demonstrating its relevance as an important complement to the Regional Economic Communities of the African Union.

### **An Ethiopian Cultural Troupe at International Women's Day celebrations in Uganda**

Uganda's President Yoweri Kaguta Museveni celebrated International Women's Day in Kibale town on Sunday March 8. The theme of the day's celebration was: "Empowerment of women and girls is progress for all: three decades of gains for Ugandan women and girls", and on the occasion, President Museveni said Uganda had made notable progress in empowering women in the last 29 years. He said that politics, education, health and water development were all channels by which the Ugandan government was working to emancipate women from subjugation. As part of the celebration, an Ethiopian Cultural Troupe from the Gamo Gofa Zone of the Southern Nations, Nationalities and Peoples' Regional State on tour in Uganda last week was asked by President Museveni to provide a musical and cultural performance for the residents of Kibale District. Among those who attended the performance was President Museveni himself, ministers, high-level government officials, ambassadors, and residents of Kibale District. Ethiopia's Foreign Minister Dr Tedros Adhanom, who was warmly welcomed by the President, also attended the celebration, following the

conclusion of the 9<sup>th</sup> Northern Corridor Integration Projects' Summit in Kigali, Rwanda, the previous day (March 7).

Speaking on the occasion, Ms Hiwot Hailu, Speaker of Ethiopia's Southern Nations, Nationalities and Peoples' Regional Council, told the gathering that Ethiopia's Southern Regional State was a microcosm of Ethiopia's 'unity in diversity', the home of numerous nations and nationalities and a wide variety of cultural heritage. The Speaker, referring to the historic visit of President Museveni in December 2014 to Arbaminch, said that the Ethiopian Cultural Troupe had come to Uganda to strengthen people-to-people relations and speed up a people-driven integration agenda. The occasion, she said, provided the opportunity for the two peoples to share ideas on social and economic development. The performance also underlined the similarities of Ethiopia and Uganda's culture, dance and music and Speaker Hiwot also noted Ethiopia's commitment to building greater mutual development.

Cultural activities are an important component of Ethiopia's public diplomacy, projecting the true picture of the country's diverse culture to other states, including, most importantly, to other African countries through a variety of instruments including cultural shows and musical festivals. These also offer opportunities for demonstrations of commonalities in culture, language, history, traditions and customs to peoples of neighboring countries. Ethiopia's foreign policy envisions building a developmental democratic state, paving a way for further cooperation and integration, both regionally and as part of wider integration in Africa. Ethiopia's aspirations for the realization of its own Renaissance are part of the creation of an enabling regional, continental and global environment. It is closely entwined with its neighbors as well as other countries and the interests in regional integration and the agenda of economic union are closely linked to practical aims to build a harmonious, secure, and prosperous region as well as continent. This will assist the country's war on poverty and help speed up the process of democratization. Ethiopia's constitution aims to build unity in diversity through the participation of the various nations, nationalities and peoples of Ethiopia in the affairs of the state, which is central to the country's viability. Ethiopia's cultural diplomacy has therefore made the concept of people-to-people ties a central factor in encouraging links between the people of the region and elsewhere in Africa in the areas of trade, business, and investment. Cultural diplomacy has, in fact, become a showcase of Ethiopia's national vision, goals and values and a catalyst to help Ethiopia develop friendly bilateral and multilateral relations to accelerate its developmental and democratization project.

The occasion of the Ethiopian Cultural Troupe's performance was a highly successful experience that could and should be repeated more widely to bolster the bonds of people-to-people relations and encourage investment in sustaining rapid, inclusive and sustainable development and ensuring democratization. Increased engagement and close interaction between the people of Ethiopia and those of its neighbors encourages mutual trust and understanding. These help to fast-track all-rounded economic cooperation and advance the cause of peace and security through the development of various webs of infrastructure development based on shared and win-win outcomes. President Museveni paid a highly successful visit to Ethiopia in December last year, a visit which mapped out the way forward for a more cooperative partnership. It heralded improved relations in the areas of transportation, energy, sister-city twinning and health. It underlined the importance of putting Ethio-Ugandan ties at the centre of regional, continental and international affairs for the realization of common development and mutual benefits. Ethio-Ugandan relations have been characterized and defined by long-time linkages between their two peoples, by their similar geography, their shared resource of the Nile and by the relationship between their leaders. The cordial government-to-government relations and the friendly relations that exist between the two nations complement the cultural linkages and drive people-to-people relations to build a community of a shared African destiny.

### **State Minister Ambassador Berhane Gebre-Christos visits Netherlands and Belgium**

A delegation led by Ambassador Berhane Gebre-Christos, State Minister of Foreign Affairs, visited the Netherlands and Belgium between March 2 and March 10 to hold talks with EU officials and Members of the European Parliament (MEPs) in Brussels as well as participate in the Second Round of Ethio-Netherlands political consultations.

Discussions with the MEPs focused on issues of common interest to both sides. Ambassador Berhane took the opportunity to create a better understanding about issues of domestic politics in Ethiopia, human rights and legislation including the Charities and Societies Law and the Anti-Terrorism Proclamation. The EU was

also briefed on the role of Ethiopia in the peace and security situation in the Horn of Africa. Mr Luis Michel, the current Chair of the EU-ACP Joint Parliamentary Assembly, and a long-time friend of Ethiopia, appreciated the role Ethiopia was playing in the sub-region. The Vice-President of the Alliance of People Parties of Europe of the European Parliament also held discussions with Ambassador Berhane. The Alliance of People Parties of Europe is a grouping of political parties which favors constructive engagement with Ethiopia, the Vice-President suggested that the Bureau of the Alliance might hold its annual meeting in Ethiopia in July 2015; Ambassador Berhane said this would be welcome.

The Ethio-Netherlands political consultation was held on March 5. During the morning session the two sides deliberated on bilateral economic issues and devoted the afternoon session to political issues. Ambassador Jeroen Vereul, Ambassador at Large in the Netherlands Ministry of Foreign Affairs, led the consultation on economic issues; Andre Haspel, Director General for Political Affairs, took the lead on political issues.

The discussion on economic issues mainly centered on issues related to Dutch investment in Ethiopia. The Netherlands side raised a number of challenges encountered by Dutch investors in Ethiopia, including high inland transport costs, logistical problems, lack of standardization of services and products and failure on the part of regional administrations to respond quickly to requests for provision of land for expansion of projects in the regions. The Netherlands suggested that transport costs led to delays in the export of fruits and vegetables to Europe and this was increased by inefficiency of service delivery at Djibouti and the lack of standardization of produce. The lack of certification schemes and laboratories also hindered the growth of fruit and vegetable exports to the European market. Another point was the reluctance of the freight companies to supply containers departing empty from Europe. The Dutch side offered, in collaboration with the EU and World Bank, to assist Ethiopia by financing projects to improve the efficiency of the export chain.

Ambassador Berhane Gebre-Christos expressed his appreciation to the Netherlands for its creative approach in encouraging Dutch investment in Ethiopia and stressed the need to diversify this. He detailed the business opportunities that would be available during the Growth and Transformation Plan II, and called on Dutch businesses to seize opportunities that would be available in agro-industry and agro-processing. Ambassador Berhane said the question of high inland transport costs would be solved once current transport and logistic infrastructure projects were complete. These included provision of cargo facilities at a number of regional airports, and railways under construction lines between the port of Tadjourah in Djibouti and cities in north-east Ethiopia. A number of industrial zones were being established in Addis Ababa and in regional cities to contribute to resolution of these problems. Ambassador Berhane also thought that Djibouti would welcome assistance in improving the efficiency of Djibouti port.

Ambassador Berhane noted that there were convergences of interest between Ethiopia and the Netherlands which necessitated closer cooperation. He underlined the volatility of the Horn of Africa and noted its proximity to the Middle East, the presence of weak and failed states, and the threat of terrorism and resolution of ongoing conflicts in the neighborhood. All this called for closer cooperation. He also emphasized that the fast growing economies in the sub-region, notably Ethiopia, provided a real opportunity for progress.

Ambassador Berhane briefed the Netherlands on regional issues including the ongoing IGAD mediation efforts in South Sudan, and events in Somalia and relations with Eritrea and with Egypt. He said that the lack of progress over South Sudan must be attributed to the reluctance of the South Sudanese parties to commit themselves to the agreements they had signed. The IGAD mediation efforts would, however, continue despite the failure of talks held in the first week of March 2015. On Somalia, there was visible progress in the improved relations between the Somali Federal Government and the regional administrations. The need to have a strong national army was emphasized and so was the importance of the Federal Government of Somalia providing basic services to the Somali people. The importance of the support of the international community for achieving Somalia's Vision 2016 was underlined.

The State Minister pointed out that the Netherlands and Ethiopia shared the same values in terms of democracy and respect for human rights; and he briefed the Netherlands on the upcoming election in Ethiopia and on the efforts being deployed to hold a free, fair and transparent election. He detailed the way a level playing field was being provided to competing political parties contesting the election.

Ambassador Berhane Gebre-Christos and his delegation also took part in a business forum organized by the Netherlands Africa Business Council in which 15 Dutch companies engaged in investment activities in

Ethiopia participated. The State Minister held one-to-one discussions with the companies taking part in the Forum. The delegation also made a field visit to Rotterdam to the Olympic Fruits company, which is also engaged in investment in a fruit and vegetable farm in the Raya area.

On March 6, Mrs Lilian Plouman, Netherlands Minister for Development Cooperation and Trade, held talks with Ambassador Berhane Gebre-Christos. She welcomed Ethiopia's role in the Horn of Africa and the open door policy pursued by the Ethiopian Government with regard to receiving more than 600,000 refugees from neighboring countries. She noted the increasing number of refugees from Eritrea, and said Dutch NGOs were willing to assist Eritrean refugees. Mrs Plouman also welcomed Ethiopia's decision to host the upcoming Financing for Development Conference in July 2015 in Addis Ababa. She expressed her hope that this would achieve good results. Mrs Plouman, who underlined the importance of strong civil society, also raised the issue of the resettlement program, agreeing on the value of development projects being implemented in the peripheral regions of the country.

The State Minister concurred with Mrs Plouman on the role of civil societies in expediting national development efforts and emphasized the government's view that Ethiopia's national development could best be carried out and sustained by strong government, private sector and civil society. The State Minister said the allegations over the resettlement program, a purely voluntary program, appeared to be a campaign driven by political interests at the expense of the communities' wellbeing. There was no political ground that could accommodate forced resettlement in Ethiopia. Ambassador Berhane emphasized that the overall commitment of the Ethiopian Government was to build an economy with zero carbon emissions by 2025, noting that this was proof of the sustainability of the development policies, including resettlement, being implemented in Ethiopia.

### **Ethiopia outlines preparations for next year's World Coffee Conference**

A delegation led by Ethiopia's Ambassador to the United Kingdom, Ambassador Berhanu Kebede, attended the 114<sup>th</sup> Session of the International Coffee Council in London, held last week (March 2-6). Ambassador Berhanu gave a presentation detailing Ethiopia's preparations for hosting the fourth World Coffee Conference in March 2016. The agenda of the 114<sup>th</sup> session included inter alia, a progress report on the preparations for the next World Coffee Conference; discussion of sustainable coffee partnerships; the impact of climate change on the coffee sector and the global coffee market. Ethiopia won the bid to host the 4<sup>th</sup> World Coffee Conference at the 112<sup>th</sup> Session of the International Coffee Council held in London last year. The Conference will be held at the same time as the 116<sup>th</sup> Session of the International Coffee Council in Addis Ababa in March 2016. It will be the first time that the World Coffee Conference has been held in Africa.

The Ethiopian delegation made a detailed presentation on the activities being taken by the National Preparatory Committee with regard to logistical arrangements, associated side events, planned exhibitions, the launching of a dedicated website for the Conference and other relevant information relevant to the success of the conference. The delegation also proposed that two possible themes might be considered by the Council for the next World Conference: "Celebrating coffee culture from seed to cup"; or "Increasing consumption through diversity and culture". The Council, after consideration, suggested the delegation should consult with the International Coffee Organization on the issue and inform member countries of the final decision before the 115<sup>th</sup> Session of the Coffee Council which is due to be held in Milan, Italy, in September.

During the ICC session, the Ethiopia delegation held a series of consultations with other members of the International Coffee Council and relevant organizations, especially with African coffee associations, with a view to mobilizing support from producers, consumers and roasters for the success of the World Conference. It also held meetings with the secretariat of the International Coffee Organization and influential members of the Council to clarify issues of concern and encourage support for the successful staging of the conference. Ethiopia will continue to consult with all stakeholders in the run-up to the conference and integrate their input during the preparatory process. It also provided delegates to the 114<sup>th</sup> session of the ICC with a short film showcasing Ethiopia's major tourist destinations, hotel facilities in Addis Ababa, the different modes of transport available and the entertainment offered by the city.

At the end of the conference the delegation held a press conference with representatives of the international media on the ongoing preparations. It underlined the commitment of the people and Government of Ethiopia

to welcoming the entire coffee community to the birthplace of coffee and to ensure that the fourth World Coffee Conference would be a memorable and a successful event.

Appropriately enough, Ethiopia's coffee exports this fiscal year appear to be increasing. Exports for the first half of the year exceeded the planned targets. The aim for exports for 2014/2015 is 235,950 tonnes, and this is expected to provide earnings of over US\$860 million. It was expected that exports for the first half of the year would reach 73,593.5 tonnes. In fact, they were slightly under that at 73,227.9 tonnes, but the revenue from these exports was nearly \$40 million higher than expected at US\$307.5 million. The Coffee Marketing Director at the Ministry of Trade, Getahun Bikora, said that the "The gain from exports exceeded expectations because the international coffee price was better during the export period." He added that the new season's coffee was now coming to the market and this would provide an increase in the volume of the coffee exported. Overall, in the first six months of the fiscal year, he said exports had achieved 99.5% of the intended amount and the revenue received was 114.3% higher than expected. This fiscal year, 2014-2015, Ethiopia expects to produce a total of 461,620 tonnes of coffee, of which it will export 239,950 tonnes, with earnings anticipated at US\$862.55 million. This represents an increase of around 23.6% in volume and 20% in revenue over 2013-2014. Ethiopia currently lies fifth in the world table of coffee production.

### **Unverified allegations about Ethiopia's "highly successful" development programs**

The UK's Department of International Development (DfID) issued a statement last week on its development relationship with Ethiopia pointing out that Ethiopia was delivering impressive progress towards the Millennium Development Goals. This, it said, meant that the needs of the country were changing in response to the strong economic growth it was experiencing and increasing domestic revenue it was generating. In recognition of this, it said, the UK's approach to development in Ethiopia was evolving. DfID was therefore "transitioning support towards economic development to help generate jobs, income and growth that will enable self-sufficiency and ultimately end poverty. This will go alongside additional funding for specific health, education and water programs - where impressive results are already being delivered". These changes would, the statement said, be resourced by ending support for the successful Promotion of Basic Services (PBS) program. The statement said the UK remained firmly committed to poverty reduction in Ethiopia and **the change in approach would not affect the amount of aid DFID will provide to Ethiopia in 2015/16**. A DfID spokesman said the move had nothing to do with the ongoing legal action in the UK over alleged abuse in the resettlement program in Gambella or the recent World Bank's investigation of its internal systems, but added: "Changes to programs are based on a number of factors including, but not limited to, country context, progress to date and commitment to partnership principles."

This seemed clear enough, though it did not stop Human Rights Watch (HRW) and others, including *The Guardian* newspaper, putting their own spin on the announcement and claiming, without any evidence, that DfID's decision was a response to their allegations that DfID funding for the PBS program had been supporting "a brutal resettlement program". HRW and critics of the PBS program which has been funded by DfID and the World Bank among others, have been trying for years to bring this highly successful program to an end. This is despite PBS being identified by aid experts as one of the most successful anti-poverty programs in Africa, with impressive achievements in boosting education, health and water services. HRW alleged that funding for PBS has also supported a separate (and equally successful) resettlement program, to which HRW has also been opposed. One former farmer, with support from a UK NGO opposed to the program, was encouraged to take legal action against the British government, claiming UK money had funded abuses during resettlement.

HRW has been equally determined to try to put a spin on a recent report of the World Bank's own internal watchdog that there had been inadequate oversight and a failure to follow the bank's own rules which allowed a possibility of links to form between the PBS program and the resettlement scheme. HRW immediately claimed that the report showed the bank had "largely ignored human rights risks evident in its projects in Ethiopia" and highlighted "the perils of unaccountable budget support" in the country. It didn't. The report dealt specifically with the Bank's own internal mechanisms and it provided no evidence in support of any of HRW's claims of abuse. The World Bank's executive board met last week and in a statement said that although its inspection panel had concluded that the seizing of land and use of violence and intimidation were not consequences of PBS, it had determined that the program did not fully assess and mitigate the risks arising from the government's implementation of resettlement, particularly in the delivery of agricultural services. World Bank Group President, Jim Yong Kim, emphasized that the inspection panel found no violations, but said it did point out areas where the Bank could have done more to help local

people. He added that the Bank would draw important lessons from this case and use it to better anticipate ways to ensure it was more effective in fighting poverty.

Despite HRW's claims, the report of the Inspection Panel provided no evidence to support HRW's allegations about resettlement in Gambella Regional State or elsewhere or about any of its claims concerning the Lower Omo Valley. The Panel did point to weaknesses in the World Bank systems for analyzing, avoiding or mitigating some of the human rights risks that might occur. There was no indication that they had occurred. The issue of whether the development environment in Ethiopia is high risk is no more than one of HRW's claims. No one would disagree that the Bank should be able to identify security risks if these are present but to repeatedly claim that such risks are present all the time when no one can identify them is verging on the paranoid. HRW suggests that the Bank's compliance with its Indigenous Peoples' should go beyond consulting with indigenous peoples – presumably in case they actually agreed that everything was satisfactory. It suggests that the Bank should require independent third party monitoring and independent grievance redress mechanisms for all of its projects in Ethiopia - by which it appears to mean HRW or organizations of which HRW approves. These are, however, hardly independent organizations. HRW also questioned the Bank's "social accountability mechanisms" in Ethiopia, seemingly on the basis that these do not provide support for HRW's allegations. It is the typical HRW approach – "if you disagree with us; you are wrong – even if we provide no evidence".

The report said that inadequate oversight, bad audit practices, and a failure to follow the Bank's own rules, might allow operational links to form between the PBS program and the Ethiopian government's resettlement scheme. Weak audit controls meant that bank funds, including money from DfID, could have been diverted to implement resettlement. It did not, however, say that any funds had been so diverted, nor did it come up with any criticisms of resettlement or of the operations of PBS or find that the resettlement program involved human rights abuses. What it did was to highlight possible problems in the planning process mechanisms, including failure to undertake full risk-assessments as required by the Bank's internal requirements. In other words, the report provided detail of internal bank problems: nothing more.

In response, the World Bank management drafted an Action Plan that emphasized the role of programs designed to mobilize communities to engage in local government's decisions and pledged to enhance the capacity of local government staff to comply with the bank's policies and to provide complaint resolution mechanisms. For HRW this was insufficient because it did not accept HRW unproven allegations fully or lead to an end to development aid to Ethiopia, the apparent aim of HRW. Because others have not found evidence of the sort of abuse claimed by HRW, HRW has persistently claimed that development assistance in Ethiopia is inadequately monitored. Where it is monitored and nothing has been found, HRW merely says "we got it right, you didn't." Similarly, its claims that government officials have discriminated on the basis of real and perceived political opinion in distributing resources, including access to donor-supported programs, salaries, and training opportunities, have been frequently investigated and found to be non-existent. HRW's response is to say the investigations cannot have been properly or systematically carried out because nothing was found. It never considers that HRW and its sources might, just possibly, have got it wrong.

Another advocacy organization which has devoted much time and energy to criticizing Ethiopia, frequently quoting from HRW reports, is Oaklands Institute, and it, too, was quick to try and make connections between the administrative failure itemized by the report and its own allegations of abuse in the resettlement program: "it is quite stunning that the panel does not think that the World Bank is responsible for villagisation-related widespread abuses in Ethiopia resulting in destruction of livelihoods, forced displacement of Anuaks from their fertile lands and forests." In fact, there has been no connection whatever and the Oaklands Institute itself has never produced any reliable evidence of any such abuse. It usually quotes from HRW's claims, just as HRW does from OI's equally poorly sourced allegations about the Lower Omo.

HRW and its allies have yet to produce any acceptable, independently verified, or indeed verifiable evidence, of the abuses they claim have occurred in the resettlement program in Gambella or in the Lower Omo. No independent bodies operating in these areas, or visiting them, have come up with any support for these allegations. All independent organizations that have investigated the claims insist that no one has been driven off their land to make way for commercial agriculture projects, whether in the Gambella region or in the Lower Omo valley; and none have found evidence for any forced movement of peoples into resettlement projects.

None of this, of course, has made any difference to Human Rights Watch's claims or those of Survival International or other similar organizations. As far as they are concerned there is no argument. They know they are right, and anyone that disagrees is wrong, whatever the evidence actually provides.

This week, Survival International claimed it had received disturbing reports that a tribe in the Lower Omo Valley was starving as a result of the destruction of their forest and the lack of water in the river on which they depend. It claimed that there had been no flooding of the river because of the start of the filling of the Gilgel Gibe III dam and "associated large-scale irrigation for commercial plantations on tribal land". Several points arise, not least that Survival International casually mentioned in its press statement that the reports to which it referred were actually two or more years old. Since then, there have in fact been at least two seasons' of flood water down on the river. The floods came last September as they always do. There is no flooding at other times of the year. Even after the Gilgel Gibe Dam is filled, annual flood water will be released, under controlled conditions, to allow for the usual flood plain agriculture. The filling of the Gilgel Gibe dam started on January 19, and there is no significant reduction of the river's flow. Overall, any impact on Lake Turkana for the period of the impounding will fall within the natural fluctuation levels of the Lake (0.5–1.5 m). Ethiopia and Kenya have, it might also be added, agreed to undertake an additional joint Strategic Environmental Impact Assessment study to assess any negative effects on the Lake Turkana World Heritage site, as well as undertaking regular river monitoring. In addition, the amount of water that is being taken out of the river for irrigation of sugar plantations is currently minimal and will remain so for some years. Under current development, abstraction for irrigation is only for four months a year, during the dry season, and the amount will be no more than 6% of the flow, and probably less.

In fact, despite Survival International claims, there have been consultations with all the indigenous peoples of the Lower Omo Valley about these projects in the River valley. Nobody has been forcibly resettled. The donor missions by the Development Assistance Group to the area in 2010, 2012 and last year found none of the problems claimed by Survival International or Human Rights Watch and others, though donors have underlined the importance of consultations and the full provision of the promised support in local development. Indeed, the alleged reports of human rights abuses in the Lower Omo, and the claims that donors "support an oppressive government hell bent on turning self-sufficient tribes into aid-dependent internal refugees" have been investigated time and again. The allegations simply haven't been substantiated by donor representatives and missions visiting the areas, by NGOs who actually work in these regions, or by any other ad hoc visitors, nor by the local inhabitants. The reports all come from advocacy organizations which have not visited the area and often quote outdated and inaccurate figures corrected long before.

One of the most recent investigations into these allegations was by the donors' Development Assistance Group (DAG) which visited the region last August. Members of the Development Assistance Group visited the Lower Omo in August last year, in one of a number of visits to the region and to other areas that have been the target of advocacy claims. On this occasion, as on all their other visits, the DAG mission found no evidence of people being forced to move for either resettlement or agricultural development projects in the areas they visited. As the Federal Affairs Minister, Shiferaw Teklemariam, said "development in South Omo is aimed at preventing conflict and the community has been widely consulted about the plans". In a statement issued this week, the DAG noted the importance of handling the process of development effectively, and the donors did emphasize the importance of transparency about developments taking place in the area and of listening to the local communities. The mission also suggested the government might consider slowing down the speed of development to allow more time "for a softer transition" thus avoiding any possibility of conflict. It also warned of the danger of introducing migrant workers to the sugar plantations that are being developed, a point already taken under consideration as the Sugar Corporation has already made it clear many jobs will be available for locals.