

## **A Week in the Horn**

### **16<sup>th</sup> August 2013**

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#### **News in Brief:**

##### **Ethiopia**

Prime Minister Hailemariam Desalegn met and conferred with the African Union High-Level Panel for Egypt on Tuesday (August 13) on the Panel's activities. The Prime Minister said the restoration of peace in Egypt means a lot to Ethiopia and other countries in the region.

Ambassador Michael Froman, representative of the US Ministry of Trade for the African Growth and Opportunity Act Forum, met with Prime Minister Hailemariam at the weekend.

The United Nations Under-Secretary General, Haile Menkerios, the newly appointed Head of the United Nations Office to the African Union (UNOAU) and the Secretary General's Special Representative to the African Union, presented his letters of credence to President Girma Woldegiorgis on Wednesday (August 14).

Foreign Minister Dr Tedros met Nicholas Kay, UN Secretary General's Special Representative for Somalia to discuss recent developments in Somalia and IGAD's effort in assisting the peace talks between the Federal Government and political actors in Southern Somalia.

Foreign Minister Dr. Tedros met Mr. Woan Jong Sung, Ethiopia's Honorary Consul in the Republic of Korea, Tuesday (August 13), to discuss how to create a strong economic relationship between the two countries.

The two day 12<sup>th</sup> African Growth and Opportunity Act (AGOA) Ministerial Forum opened on Monday (August 12) in the presence of Prime Minister Hailemariam Desalegn. The Forum agreed the need for enhanced political dialogue between US and Africa, the reauthorization of AGOA for at least another 15 years, capacity building to generate private sector engagement, increased trade and market access, encouragement of US investment in Africa and to uphold AGOA preferences for items exported from Africa. **(See article)**

State Minister of Foreign Affairs, Ambassador Berhane Gebre-Christos discussed peace and security issues in the region with US Acting Assistant Secretary Bureau of African Affairs, Ambassador Donald Yamamoto, former US Ambassador to Ethiopia, on Monday (August 12).

State Minister of Foreign Affairs, Ambassador Berhane, held talks with US Senator John Isakson on Monday (August 12).

In the World Athletics Championships this week Tirunesh Dibaba won the gold medal in the 10,000m on Sunday with Belaynesh Oljira taking the bronze medal. Ibrahim Jeilan took a silver medal in the 10.000m. Mohammed Aman won the gold medal (Tuesday, August 13) in the 800m. Sofia Assefa won a bronze medal in the 3000m Women's Steeplechase.

## **Djibouti**

President Ismail Omar Guelleh arrived in Addis Ababa (August 15) to attend the commemoration of the anniversary of the death of the late Prime Minister Meles.

Ayanleh Souleiman took the bronze medal in the 800m, Djibouti's first medal in the World Championships for 23 years.

Djibouti's Minister of Defence, Hassan Darar Houffaneh, on Friday (August 9) said Djibouti would provide further support to the Somali government with military facilities and training.

Djibouti's football federation president and FIFA commissioner, Souleiman Hassan Waberi, announced on Tuesday (August 13) that Djibouti will be hosting for the first time the regional youth football tournament under the umbrella of the Indian Ocean Commission for Youth and Sport (CJSOI) in January next year.

## **Eritrea**

President Isaias Afwerki on Tuesday (August 13) received Ambassador Muna Omar, special envoy of the Interim Egyptian President. They discussed the role Egypt should play in the Horn of Africa and the Red Sea region as well as the situation in Egypt.

## **Kenya**

President Uhuru Kenyatta began a State Visit to Moscow on Thursday (August 15) and will go on to China for an official visit between August 19 and August 23. He is accompanied by First Lady Margaret Kenyatta.

Kenyan and Ethiopian officials are meeting to discuss security along the joint border near Lake Turkana following an incident last week in which four Kenyan fishermen were killed. A fresh clash

this week between Turkana fishermen and Merille militia from Ethiopia claimed six more lives. Both countries have reinforced security forces near the Todonyang border point.

Kenya Airways CEO said the airline lost at least US\$4 million dollars in revenue as a result of last Wednesday's fire at Nairobi's Jomo Kenyatta International Airport. The airport reopened at midnight on Thursday but passengers are still facing some delays and cancellations.

Kenya was identified in a new report from the Elephant Trade Information System (ETIS), along with Tanzania and South Africa, as a country favored by ivory smugglers. The report said Kenya and Tanzania together accounted for 16 of the 34 large-scale ivory seizures recorded between 2009 and 2011.

On Thursday, Ezekiel Kemboi took the gold medal in the men's 3000 steeplechase and Conseslus Kipruto the silver medal; Milcah Chemos Cheywa and Lidya Chepkurui took the gold and silver medals in the women's 3000 m steeplechase. Edna Ngeringwony Kiplagat took the gold medal in the women's marathon. Gladys Cherono won the silver medal in the women's 10,000m. Paul Kipngetich Tanui took the bronze medal in the men's 10,000m, and Helen Onsando Oberi took the bronze medal in the women's 1500m.

## **Somalia**

The international medical NGO charity, Médecins Sans Frontières (MSF), announced on Wednesday (August 14) that it was closing all its programs in Somalia and leaving the country after 22 years. **(See article)**

James P. McAnulty, the new US Special Representative for Somalia, the United States' senior policy official on Somalia, took up office on Wednesday (August 14).

The Somali Federal Government appointed a committee to investigate the crash of the Ethiopian airforce plane which crashed at Mogadishu airport on Friday (August 9), killing four of the six crew on board.

Mohamed Behi Yonis, Minister of Foreign Affairs and International Cooperation of Somaliland visited Kenya this week to hold talks with the European Union Special Envoy to Somalia, Ambassador Michele Cervone d'Urso.

## **South Sudan**

South Sudan President Salva Kiir will make a state visit to Khartoum later this month. Foreign Affairs Minister, Barnaba Marial Benjamin, will travel to Khartoum to agree an agenda and a date for the summit.

South Sudan's Ministry of Foreign Affairs and International Cooperation announced it had launched a new diplomatic strategy to strengthening relations with Sudan, to deepen friendship, widen cooperation and enhancing coordination at international and regional levels.

South Sudan's Parliament voted against President Salva Kiir's choice of Justice Minister and refused to accept Mr. Telar Deng as the new justice minister.

## **Sudan**

Sudan announced Monday (August 12) that President Al-Bashir had agreed to further extend the deadline to stop the flow of South Sudanese crude oil through Sudanese territory until September 6th.

The joint African Union-United Nations Mission in Darfur (UNAMID) has expressed concern over the rising casualties from recent clashes between the Rezeigat and Maalia tribes in East Darfur. Hundreds have been killed and injured, and the UN says fighting this month has forced over 300,000 people to flee their homes.

The Sudan co-chair of Abyei Joint Oversight Committee (AJOC) discussed re-launching AJOC meetings with an AU envoy (August 11). He emphasized the need to implement the process of enhancing peaceful coexistence between the Misseriya and the Dinka Ngok and pledged to continue AJOC meetings to reach agreement on the composition of civil institutions and police.

International assistance is beginning to arrive in Sudan this week to provide relief supplies to help the 150,000 people affected by floods across eight states in Sudan, including more than 84,000 in Khartoum. The US, Japan, Qatar, Egypt and Ethiopia have all sent relief supplies.

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## **The 12<sup>th</sup> African Growth Opportunity Act (AGOA) Ministerial Forum held in Addis Ababa**

The 12th African Growth Opportunity Act (AGOA) Ministerial Forum opened on Monday at the African Union Conference Hall in the presence of Prime Minister Hailemariam Desalegn; Dr. Erastus Mwencha, Deputy Chairperson of the African Union Commission; Ambassador Michael Froman, United States Trade Representative; Ato Kebede Chane , Ethiopia's Trade Minister; and Trade Ministers and other officials of the AGOA-eligible African countries. In his welcoming remarks, Dr. Mwencha noted that "AGOA is the cornerstone of the United States Government's trade policy towards Africa and there has been remarkable growth in the partnership between the United States and Africa in general and the African Union Commission in particular." At the same time he underlined that much needed to be done "to unleash Africa's growth potential through stimulating economic growth, diversifying African exports, encouraging economic integration and facilitating Africa's integration into the global market based on the original intent of AGOA."

Prime Minister Hailemariam in his speech to the Forum noted that though AGOA embodied the joint aspiration of Sub-Saharan Africa and USA to become fully fledged members of the global economy and bring structural changes to African economies, severe supply-side constraints had hampered the realization of the possible benefits of the initiative. Speaking about the changing growth trajectory in Africa, the Prime Minister said that the success of the last decade in Africa showed that structural changes in Africa were not only within reach but also a reality that had come to stay. He said the Ethiopian government had a strong belief that "an integrated and advanced manufacturing sector can bring about higher levels of economic and growth and development". It had therefore prioritized textile, garment, leather and leather products, cement, metal and engineering, chemicals, pharmaceuticals and agro-processing industries. He further highlighted the point that Ethiopia was spending billions to encourage infrastructure as sustainable industrial development was unachievable without infrastructural development.

The Prime Minister noted that the extension of AGOA was vital as “many African countries have now set plans to reach middle income status in the coming years.” He welcomed President Obama’s reassurance during his most recent trip to Africa “on the seamless extension of AGOA”. In relation to Ethiopia’s efforts to maximize the benefits it might get from AGOA, the Prime Minister noted that a National AGOA Response Strategy is in the process of being finalized. Sharing his views of a post-2015 AGOA, Hailemariam called in unequivocal terms for AGOA “to go beyond market access by strengthening technical assistance and capacity building initiatives to African entrepreneurs and businesses.” In particular, he suggested “adopting a development exception for US companies investing in non-extractive sectors in Africa; relaxing the stringent rules of origin for more inclusivity of exports from African countries especially agricultural products; and encouraging more business to business interaction among others.”

Ato Kebede Chane pointed out that although Ethiopia’s exports through AGOA had increased by some 80% a year, they were still largely limited to apparel and the leather sector, and the total figures remained insignificant. However, hailing the tremendous economic growth in Africa, Ato Kebede argued that for AGOA to achieve its primary objective of helping African countries achieve sustainable economic transformation, it should be extended for a period of at least 15 to 20 years.

Ambassador Froman said that President Obama had made it clear that the US administration was supporting the renewal of AGOA before it expired in 2015, and he had promised that the administration would work on this in partnership with stakeholders in the US and Africa and especially with Congress. Ambassador Froman also detailed the “Trade Africa” initiative launched by President Obama as a “new partnership between the United States and Africa that seeks to increase internal and regional trade and other global markets.” Speaking about the performance of exports through AGOA, he said “AGOA imports to the United States have climbed to \$34.8 billion in 2012, more than four times the amount in 2001.” This, he said, had created thousands of jobs in Africa and the USA. In relation to the future of AGOA Michael Froman said this was all good news, but “of course we are not satisfied yet ahead of AGOA’s future, we must define precisely where we are trying to go as well as the best ways to get there.” He repeated that the President in his latest tour to Africa had promised for a “seamless” extension of AGOA. He stressed the need to carry out of an inventory on what had been achieved and what had not, to discuss specifics, to learn from such schemes as the EBA of European Union and build bilateral relations with USA to shape the future of AGOA.

### **... Dialogue sessions on Africa’s Trade and Economy...**

Over its two days, the Forum held concurrent sessions on a number of issues including regional integration through trade facilitation, the role of women entrepreneurs in sustainable transformation, infrastructure development, institutional support for development, the rise of Africa’s digital economy and innovative agricultural technologies.

The session on digital economy discussed the success of home grown initiatives like M-PESA of Kenya. This is a small-value electronic payment and store of value system accessible from ordinary mobile phones for a small, flat, per-transaction fee. The affordability of the service has been a key to opening the door to formal financial services for Kenya’s poor. Competitiveness, access to ICT, privacy, piracy, cyber crimes and absence of intellectual property protection were presented as the main challenges to Africa’s ICT revolution and development. Similarly, the session on the role of Small and Micro Enterprises (SMEs) pointed to weak competitiveness and access to land as the main challenges hampering their growth.

In a session that discussed clean energy financing, the CEO of Ethiopia Electric Power Corporation (EEPCO), Ato Mihret Debebe presented details of Ethiopia's energy development experiences to the audience. Ato Mihret noted that Ethiopia was endowed with the potential of 60,000MWs of hydropower and over a hundred thousand megawatts of geothermal and wind energy. He said Ethiopia's 25 year energy Master Plan aimed to make Ethiopia a hub for renewable energy in East Africa. Regarding Ethiopia's experience of financing, Ato Mihret said Ethiopia had always opted for low cost financing mechanisms through a combination of Government financing, equity financing and concessional grants from multilateral and bilateral sources. He mentioned the Ashegoda wind project as an example involving both private and public financing. This approach, he said, had helped Ethiopia provide low priced energy to end users. He noted that Ethiopia's budgetary discipline and the optimal utilization of marginal and capacity costs had enabled it to pursue fast track energy development under which most projects were able to cover their costs within no more than five years. Under its Master Plan, Ethiopia aims to produce 30,000MWs by 2020. Much of this will be exported. There is a project to link Djibouti to Yemen and connect to the Middle East power grid. The 1.5 billion dollar Ethio-Kenya transmission line will connect into East Africa, and with the completion of Ethio-Sudan and Sudan and Egypt transmission line projects, Ethiopia will have access to West African markets.

The session entitled "Trade Opportunities and Financing for Clean Energy Development", was co-chaired by Dr. Olusegun Aganga, Nigeria's Minister of Trade and Industry and Earl Gast, USAID Assistant Administrator for Africa. Earl Gast noted that though renewable energy had the potential to transform African economies, it still remained seriously underfunded. He explained the US presidential initiative - "Power Africa" - and the pilot projects in Tanzania and Zambia - would finance off-grade renewable energy projects. He noted that the US was supporting a Kenyan 450mw wind farm project with equipment and technical support. Dr. Aganga gave an extensive exposition on how a massive liberalization in telecom and in the energy sector was helping Nigeria to alleviate financial problems in clean energy development. He said the government had created an enabling condition, removed legal administrative hurdles and put in place the right incentives which had helped attract the private sector in energy development. According to Dr. Aganga, Nigeria has signed Memoranda of Understanding with multinationals including Petrobras, Daewoo and Chevron aiming to produce over 30,000MW of energy with an investment of more than 20 billion dollars. However Ato Mihret, EEPCO's CEO argued that more than any other country, Ethiopia was able to provide cheap hydropower, costing \$0.5 per kilowatt while the cost in many countries reached a dollar per kilowatt.

In the subsequent discussion, it was announced that the US Africa Clean Energy Initiative plans to raise funds of a billion dollars from private and global financiers to support the development of clean energy. The conclusion, based on the experiences of countries like Nigeria, was that sufficient funds would be available to African markets when projects were found to be bankable, where there is macroeconomic stability and cost-reflective tariff systems in any given country.

In a session entitled "the Future of US-Africa Trade and Economic Cooperation", Forum participants pointed out that fostering intellectual property protection, strengthening the ICT revolution and backing SME's as key drivers of growth, were vital areas of intervention to help Africa benefit from the AGOA. The views of the private sector representatives and of civil society agreed in the requests for a timely re-authorization of AGOA, underlining the need to increase US investment in Africa to unleash the continent's potential for growth. US investment currently stands at no more than 1% of total US investment across the globe.

Following these reports, representatives of AGOA-eligible countries identified a number of challenges impeding the development of Africa's trade with the US and the world in general. Among those mentioned were the infrastructure gap, marine transport and logistics, the absence of evaluation mechanisms to gauge the performance of AGOA exports, the costs of branding exports and the absence of direct air transport connections between many African countries and the US. Land-locked countries, in particular, stressed the hurdles associated with multimodal transport and identified this as a major challenge to their exports to the US. Among the suggestions from participants were incentivizing value adding sectors through AGOA.

Ethiopia's Foreign Minister, Dr. Tedros, underlined that the major reason for the poor performance of Africa related mainly to supply side constraints. He said increased US investment in Africa could go a long way towards addressing this and do away with one of the main challenges to AGOA effectiveness. He also emphasized that Africa was not asking for a mere extension of AGOA beyond 2015, but rather that it should work on the supply side problem so the continent could benefit from the untapped potential of the AGOA initiative. Ambassador Michael Froman noted that the answers to the impediments and problems raised were something to be worked out between the US and Africa. He said President Obama's administration was determined, as underlined by the presidential initiatives on energy, trade and food security, to help Africa become a net economic success story.

#### **.... Ministerial report and the closing session of AGOA 2013**

The 12<sup>th</sup> AGOA Ministerial Forum concluded on Tuesday with a final session in which a brief summary of the concurrent sessions was presented to participants. The closing session was attended by Ambassador Donald Yamamoto, US Acting Assistant Secretary for African Affairs, Ethiopia's Deputy Prime Minister for Finance and Economic Cluster and Minister of Communication Technology, Dr. Debretsion Gebremichael, Minister of Foreign Affairs, Dr. Tedros Adhanom, the Deputy Chairperson of the African Union Commission, Dr. Erastus Mwencha, and other high-level dignitaries and officials.

The Session adopted the Senior Officials' report with some amendments. One suggestion was for enhanced political dialogue between US and Africa, and as suggested by Prime Minister Hailemariam the Forum recommended a summit level meeting in 2014 and regular meetings thereafter. The report recommended the re-authorization of AGOA for at least another 15 years by which time most African countries will reach middle income status, and the same arrangement to be made in October next year, for the Third Fabric Provision to be re-authorized conterminously. With regard to capacity building the Forum recommended increased public-private engagement to enhance value chain infrastructure through technological transfer. The meeting also recommended the creation of the AGOA compact through by the US to countries who has good performance in implementing AGOA Export Strategy.

Overall, the Forum highlighted the importance of increasing US investment and the potential in private-public partnership as a way to increase private investment. It emphasized that AGOA preferences for goods should not to be undermined by WTO or other economic partnership negotiations. It underlined the importance of encouraging SME's and women entrepreneurs, of sensitizing the Diaspora and encouraging its greater participation. It called for expansion and diversification of AGOA eligible exports, for the extension of preferences to other Sub-Saharan Least Developed Countries and for the overall improvement of Africa's investment climate. The Forum ended by giving the opportunity to host the 2014 Forum to Cameroon.

In his closing remarks, Dr. Tedros noted that Africa was asking for re-authorization of AGOA “not as a permanent preferential access measure, but rather as a way to fully achieve the very goals set from the outset”. He added that “timing was of essence in re-authorization of the AGOA; we cannot afford to risk loss of orders and loss of jobs in delaying the re-authorization.” He also pointed out the need to carry out a thorough review of the progress and the gaps of AGOA, to explore better ways to utilize its benefit.

Ambassador Donald Yamamoto reassured participants that the US administration would work with the AGOA African Ambassador’s Group in Washington to see to it that AGOA was re-authorized in a timely fashion. Hailing Africa’s leap in economic growth, Ambassador Yamamoto called on all “to roll up their sleeves to ensure that Africa becomes the future for every opportunity”. Dr. Mwencha underlined the importance of implementing AGOA and its full utilization. Both, he said, would be equally important in the re-authorization of AGOA After 2015. Dr. Debretsion expressed his hope that AGOA would continue to be a driver in Africa’s economic transformation in the future.

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### **Ethiopia's progress in the Millennium Development Goals praised**

The Millennium Development Goals (MDG) represents an unprecedented partnership among nations to better the lives of poverty stricken and poor people across the globe. And with the deadline for the MDGs (2015) fast approaching, progress, though far from sufficient, is reported to be quite substantial in many areas with several important targets either met or achievable by 2015. The UN Millennium Development Goals Report 2013 predicts the possible achievement of the MDGs by the targeted year. At the same time it underlines that national governments, the international community, civil society and the private sector should all continue their commitment.

Developing nations, of course, face a number of barriers to reaching the targets set by the MDGs. Some of these are unique and country-specific, others are shared broadly. Among the common problems faced by many nations are: the low starting level conditions, weak governance and frail institutions, conflict and instability, increasing food prices, environmental degradation, and perhaps above all the global financial crisis and economic slowdown of the last couple of years.

The UN Millennium Development Goals Report 2013 indeed urged that efforts should be redoubled, particularly in regions currently lagging most behind, in order to jumpstart advancement and achieve maximum gains. Efforts also should be made to build on existing momentum to reach as many goals as possible by 2015 and to realize progress for all.

In fact, the report stated that overall the world reached the poverty reduction target five years ahead of schedule. In developing regions, the proportion of people living on less than \$1.25 a day fell from 47 per cent in 1990 to 22 per cent in 2010. About 700 million fewer people lived in conditions of extreme poverty in 2010 than in 1990. Over 2 billion people have gained access to improved sources of drinking water. The proportion of the global population using such sources reached 89 per cent in 2010, up from 76 per cent in 1990. This means that the MDG drinking water target was also met five years ahead of the target date, despite significant population growth. Remarkable gains have also been made in the fight against malaria and tuberculosis. Between 2000 and 2010, mortality rates from malaria fell by more than 25 per cent globally. The hunger reduction target is within reach with the proportion of undernourished people in developing regions decreasing from 23.2 per cent in

1990–1992 to 14.9 per cent in 2010–2012. Given reinvigorated efforts, the target of halving the percentage of people suffering from hunger by 2015 appears to be attainable.

Africa has, without a doubt, come a long way since 2000, making substantial progress toward several of the MDGs. The report notes that Benin, Egypt, Ethiopia, the Gambia, Malawi and Rwanda have been making especially impressive progress.

Ethiopia, for example, has been making substantive progress towards the Millennium Development Goals. Indeed, since 2003/04 economic growth has been sustained, recording an average of more than 10% annual growth. This has complemented by strong performance in the agriculture, industry (construction and manufacturing) and service sectors. The construction sector in particular has been stimulated by public sector investment in infrastructure. During this period, across the country, health service coverage and school enrollment at all levels expanded remarkably as human capital development received significant consideration from the government. With reference to infrastructural expansion, high quality asphalt roads and rural community roads have been constructed throughout the country; and the expansion of road network has increased the road density from 29km/1000 km<sup>2</sup> in 2000/01 to 44.5km/1000km<sup>2</sup> in 2009/10. The average time taken to reach an all-weather road has been reduced to 3.7 hours in 2009/10 from about 7 hours in early 2000. Access to potable water has improved greatly.

The hydroelectric power generational capacity of the country has increased electrical coverage to 41% in 2009/10 from 16% in 2004/05. Telecommunication service coverage has expanded and, according to the report, Ethiopia registered the greatest increase in mobile subscribers, at 102%, over the period 2010-2011. The population living below the poverty line has declined significantly. By spending more than 60 percent of its total expenditure on poverty-oriented sectors, such as agriculture, education, health, water and road development during the last seven years, the government has maximized efforts to bring about pro-poor economic growth.

In fact, reducing pervasive poverty and ensuring human development in Ethiopia have been the main objectives of the government. This aim and vision is explicitly incorporated in various development policy documents. Indeed, successive development plans, including the current Growth and Transformation Plan (2010/11-2014/15) were essentially MDG-based development plans. After the MDGs Needs Assessment exercise conducted by the government, the United Nations Country teams and other development partners in 2005, the government promptly integrated the MDGs into the national development policy context of Ethiopia.

Another report entitled "Assessing Progress in Africa toward the Millennium Development Goals (MDG Report 2013)" and co-authored by United Nations Economic Commission for Africa, the African Union, the African Development Bank Group and UNDP has also applauded the remarkable progress being made in various fields towards the achievement of the MDGs. The report stressed that despite steep challenges a number of countries with very high rates of child mortality in 1990 have defied the odds, showing that progress for all children is within grasp. Bangladesh and Liberia, for example, have achieved reductions in under-five mortality of at least two thirds since 1990. Ethiopia, along with Madagascar, Malawi, Niger and Rwanda in sub-Saharan Africa, has seen reductions of at least 60 per cent. As of now, of 49 countries in sub-Saharan Africa, only eight (Botswana, Cape Verde, Ethiopia, Liberia, Madagascar, Mali, Nigeria and Rwanda) are expected to achieve the MDG target if current trends continue. This, the report notes, calls for an extra effort in those countries and regions where the most child deaths occur and the death rates are highest.

Ethiopia is on the right track to reach the goal of reducing maternal mortality rate. It is also among African countries that has successfully reduced infant mortality rate gradually. Its infant mortality rate dropped from 90 deaths per 1,000 live births in 1990 to 60 deaths per 1000 live births in 2011, or 1.9% a year. It is one of the top performers in expanding measles immunization coverage by at least 30% between 1990 and 2010.

The Report said the average primary completion rate rose from 54 per cent in 2000 to 71 per cent in 2010, an increase of 1.7 percentage point a year. In countries with lower initial primary completion rates, progress was greater. For example, Ethiopia, Rwanda and Mozambique improved their primary completion rates annually by 4.9%, 4.7% and 4.4% respectively, over the last decade.

Ethiopia has improved most in reducing the hunger rate from 42.2 to 28.7% on the Global Hunger Index. The report appreciated Ethiopia's holistic approach to food insecurity, citing two projects launched in Southern Tigray and Northern Shoa by the Food and Agriculture Organization in 2001. It said "The project used a cocktail of interventions in all the broad areas affecting food security to improve the situation: agriculture, health, education and water and sanitation, with a focus on women-headed households, which were more prone to malnutrition." The report said the interventions included income-generating activities such as farming poultry, beekeeping and vegetable growing; health promotion and disease prevention interventions including diet improvement, education of communities on nutrition, production and dissemination of nutrition fact sheets and improved access to safe water and training centers for environmental conservation and rural skills. It adds that by 2006, "the project had benefited more than 26,000 people directly and another 80,000 indirectly, nutrition patterns were improving and acute malnutrition had fallen from 13.4 per cent in 2003 to 9.5 per cent in 2005."

This approach and its success highlight the importance of covering all areas associated with food insecurity rather than concentrating on a single aspect at a time. An approach, focusing on single aspects of the problem, is quite simply not as effective in dealing with food insecurity as the holistic approach adopted by Ethiopia.

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### **Gambella Regional State – Facts about villagization and agricultural investment**

On Monday (August 12), Engineer Ulero, Vice-President of the Gambella Regional State and Head of its Agricultural Bureau, gave a briefing on the Regional State's development and investment policies and villagization program. The Vice-President noted that the segregation of certain groups under previous regimes had meant Gambella had failed to develop despite its wealth of natural resources which included ample permanent water resources and extensive virgin lands. The region had suffered from poor governance without transparency and accountability, a lack of infrastructural development, a deficiency of policies and strategies, and a shortage of capacity. One example of the effect of these problems was that the region, despite the availability of water, suffered from recurrent droughts. The overall result was a failure to realize any effective sustainable development in the region.

However, development now, he said, was proceeding on the basis of the Federal Government's Agricultural-led Industrialization policy geared towards poverty eradication, and disease elimination. Gambella's potential includes the development of a wide variety of crops, livestock and fisheries, exploitation of its forests, and its water resources including both surfaced water and

ground water usable for irrigation and power generation as well development and transportation. The region has a variety of minerals including gold and tungsten as well as a variety of materials for construction, mineral water, oil and other energy sources. It also has the potential for diversified agriculture although at the moment the majority of the community dependent upon sedentary agriculture were not self-sufficient in food.

To create sustainable development and good governance capable of improving peoples' living conditions sufficiently quickly and extensively, the regional government, in consultation with the Federal Government, had launched a development program designed to enable the peoples of the region to build up capacity, promote infrastructure development and investment activities and create permanent villages as the basis to exploit existing natural resources and build up the necessary capacity for rapid, environmentally friendly and sustainable development, eradicating poverty and backwardness and encourage development and democratic processes. The emphasis has been on development works and capacity building packages, promoting investment activities and ensuring sustainable resettlement development programs designed to fill the region's development and capacity building gaps.

This resettlement program, the result of careful study, has the objectives of gathering together dispersed populations on a voluntary basis without distancing them from their locality or village. Communities engaged in rotating farming practices are permanently resettled in their original locations; those living in riverside areas subject to flood damage are encouraged to move to safer areas. The aim is that the voluntary three year program will provide food security, accessibility to development facilities and good governance. Engineer Ulero said the re-settlement process was based on the detailed assessment of a task force and thoroughly discussed at woreda level and by local steering committees. The original studies were followed by thorough consultation and agreement with local people in the preparatory stages which included the identification of 49 settlement villages and their demarcation. Other elements of this process included ensuring the availability of infrastructure, of water, health, education and other facilities for the incomers and local community inhabitants. Over the three year program, people are moving from the vulnerable areas to safer and more developed new areas, all nearby the original lands. There is no movement from one zone to another or from one woreda to another. The villagization program is a matter of clustering people in the most acceptable place in a small area to make it easy to deliver development services and provide tangible and radical improvements to people's lives. The aim is to do this for a total of 45,000 households in the regional state out of a total of 60,000 households. The initial implementation of the program has been in the areas most accessible for infrastructure development, the provision of socio economic services and of agricultural inputs. The cost so far has been 61.9 million birr.

The implementation of the program has been continuously supervised, with follow up discussions involving the Ministry of Federal Affairs, other Federal Ministries who provided Board members, and development partners. At this preliminary stage livelihood strategy documents were prepared for 43 village development sites by the technical committees after consultation of the intended beneficiaries and approved by a conference held at regional level. Community interest was so great that 26,122 households registered and received land. 25,355 houses built and neighboring kebele communities, students, public servants, urban dwellers and traders all contributed cash or labor to help the process. As the program implementation manual made clear, each household had the right to get 3 to 4 hectares of land as long as there was no scarcity in any particular area. In 2010/11, a total of 38,414 hectares of farm land was distributed to 20,243 households. They were advised to

cultivate a minimum of one hectare per household for the main season, which meant 31,240 hectares were under cultivation for the main cropping season that year.

Engineer Ulero said that in these 43 villages a total of 156 water schemes have been developed, with 19 additional health institutions to add to the 29 already there. He estimated that 142,000 now had access to water and that health service coverage of the village sites had reached 95 %. 54,177 anti-malarial treated nets had been distributed and 3,381 pit latrines had been constructed by households so far. Under the program 41 primary schools had been constructed and 21,600 students attended class in the 2010/11 academic year. One hundred and twenty eight kilometers of rural roads had been constructed. A number of professionals had been assigned to strengthen the existing 27 agricultural centers, and a total of 1,600 household head farmers have been given practical training. Seven animal health posts have been constructed, with priority given to village sites known for animal production. The regional government has distributed 4,178 quintals of improved seeds, and water pumps for all the 43 village sites, 126 oxen for ploughing and 59,760 farming hand tools, as well as 400 other pumps. In addition, 38 grain mills have been installed and 43 warehouses constructed. In all the 43 villages, kebele administration offices are in place and all the villages now have development committees dealing with health, security, environmental protection, education and agricultural inputs.

Engineer Ulero gave details of investment in land in the regional state which has a population of around 306,000. There is a total of 3,203,380 hectares in Gambella Regional State, of 2,880,208 hectares are arable land, and 323,172 hectares is unusable for various reasons. Of the arable land some 1,680,703 hectares was allotted for distribution among private investors by the regional state. The Federal Government is delegated to distribute the balance of 1,200,000 hectares. As of the middle of this fiscal year, 246,395 hectares had been distributed among 382 domestic investors and 200,012 hectares allocated to seven foreign national investors by both the Federal Government and the regional state. Another 222,000 hectares of land is allotted for distribution among indigenous farmers and semi pastoralists, at the rate of four hectares a household. Engineer Ulero said the amount of land being utilized by the private sector and expected to be used by local farmers amounted to 666,407 hectares or 23.13% of the whole. The remaining 2,214,296 hectares of arable land was reserved for future development schemes.

Land distribution during the program had been planned, prepared and implemented on the basis of providing all villagers with sufficient areas for cultivation to the extent of their own capacity and that of succeeding generations. In addition to the new land available under the villagization process, the villagers are entitled to utilize their former lands for any purpose any time they wish to do so. No one has been relocated for investment purposes. At the same time a number of indigenous farmers are benefiting from employment opportunities, provision of agricultural inputs and technology transfer as well as the services of socio-economic institutions being constructed by investors engaged around their localities.

Vice-President Ulero said a team of representatives from federal government and regional organs have carried out a full study of the situation on the ground. This has looked at the initial developments and the progress in governance. It concluded that the accusations made by human rights groups had no credibility and were baseless. Far from villagization being coercive or the rights of indigenous people violated, the program had been carried out with the active participation and ownership of the local population which in many cases had instigated the requests for villagization. Local populations had held discussions on the strategies of the program at all levels and selected the sites for villagization. The choice of people to refuse to move from their native places for cultural

reasons has been fully respected. As a result of the voluntary moves to the 43 village sites, the inhabitants of these villages are now enjoying the services of newly constructed water, health, education, animal health posts, grain mills and other new institutions in all the villages.

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## **Human Rights Watch extends its attacks on Ethiopia's development aid to the World Bank**

Last month, Human Rights Watch extended once again its long running campaign to try and bring an end to all development aid to Ethiopia with a paper attacking the World Bank's support for development programs in the country. Its latest effort "Abuse-Free Development – How the World Bank should safeguard against Human Rights violations" uses three alleged case studies, two referring to Ethiopia and one to Vietnam. The ostensible aim of the paper is to encourage the World Bank to ensure that all its programs should respect human rights (as interpreted by HRW) and that it should stop assisting in all areas and countries of which HRW disapproves, of which Ethiopia appears to head the list. It is perhaps not irrelevant to notice that the head of its African Section is from Ethiopia and is a dedicated opponent and critic of the government.

The opening 'summary' of the paper sets tone. It devotes itself exclusively to what it claims are human rights violations in Ethiopia's Gambella region. It starts by saying the World Bank is working to support education, health, water, sanitation, rural roads, and agricultural extension services, adding rather sneeringly that the World Bank staff apparently consider that these provide a "good" basis for human rights. Most people would actually consider food, shelter, education and health, all social service rights, as fundamental human rights. Human Rights Watch which holds to a controversial and exceptionally narrow view of human rights, confining its aims to rights that are regularly used as tools of social control, apparently does not. Indeed, most of the HRW criticisms of Ethiopia are attacks on political elements under the guise of allegedly ethical or moral arguments.

The report claims that in the Gambella region (by which it presumably means the Gambella Regional State, one of the federal states of Ethiopia) the main vehicle for achieving development objectives is the villagization program. This, of course, is a major government development program, involving the resettlement of 1.5 million people from five regional states into new villages. It is a voluntary program, allowing the regional and federal governments to provide access to basic services including provision of education, health, water, sanitation, rural roads and agricultural extension services.

Human Rights Watch, whose researchers have not been to the areas concerned, claim the program "involves forcibly relocating some 1.5 million indigenous and other marginalized people". HRW knows very well this is an outright lie, and indeed even in its previously repeated and exaggerated allegations it has never before gone as far as to suggest all those in the villagization program have been forced to move. This is hardly surprising since even in its wildest flights of fancy HRW has never claimed to have talked to more than a couple of hundred people, most living outside the country.

This paper follows earlier attacks on Ethiopian government development programs and on the UK's DfID for supporting development programs in Ethiopia. It also continues a similar pattern of using its own earlier reports as the major source for its allegations, making no reference to reports from other sources which have produced a mass of evidence and eyewitness reports contradicting HRW claims. HRW in fact never cites its critics or answers them. Its only response to critics is "we say there are human rights violations, you disagree. You are wrong, because we are right." HRW never produces

its evidence and consistently refuse to provide any specific detail of alleged occurrences. Its excuse is that details would put individuals at risk. This, of course, is exceptionally convenient as it means none of the allegations can be checked by any independent sources.

It also makes it very clear that HRW is not interested in providing evidence to allow the authorities to correct any difficulties or problems that might occur, an attitude which would also seem to reflect on HRW's attitude towards the supposed 'victims'. And of course there have been problems in such a substantial program. In some cases there have been delays in bringing in some of the promised facilities, and not everybody has been enthusiastic about moving, but as a recent Development Assistance Group (DAG) inspection of facilities found people are able to continue to return to cultivate their previous land without difficulty. The central point that comes out of all other reports is that where there are difficulties, the local authorities have been doing whatever possible to respond as quickly as possible to delays and hiccups.

HRW does not bother to mention any of this. Indeed, it only mentions one DAG investigation and in a typically dishonest trick only refers to it selectively without noting for example that the report quite clearly specifies that it found no evidence for HRW's allegations that donor programs were being used for political gain. Similarly, HRW fails to point out that related allegations made by the BBC's Newsnight program and the Bureau of Investigative Journalism were comprehensively rubbished by a series of other bodies and individuals with experience of operations in the area.

The central criticism of this report, as of others that HRW has produced, must be quite simply that it has got its facts wrong. This is hardly a surprise since its methodology is entirely unacceptable by any normal evidential research standards. The obvious flaws in HRW's methodology include its failure to ask the motivation or political links of its informants, its unquestioning acceptance of any and all allegations without bothering to check their accuracy providing they fit into HRW's pre-determined ideas, its failure to carry out research on the ground, its refusal to provide sufficient details of incidents to allow for any independent checks and its stubborn refusal to take note or even engage with other independent sources especially when they disagree. Finally, of course one must also note HRW's ignorance, as demonstrated in its persistent refusal to understand the damage that its allegations and its outright political aims might do to exceptionally useful and effective development programs, and some of the most successful pro-poor policies in the world or to care about the negative effect that this might have on literally millions of poor people.

The main point of all this comes back to just how accurate is HRW and its claims. The answer is: Not at all, that is if all the numerous other investigations, enquiries, reports and examinations made by a wide variety of bodies involved in these programs or working in the areas concerned are to be believed. Of course, HRW can always find some dissatisfied people (normally, it must be noted to be found abroad) in a program involving 1.5 million people. The surprise would be if it had failed to discover the 2 people who professed to speak for 20 others to make a complaint against the World Bank.

In fact, the burthen of HRW's intended target is actually rather wider than just villagization as it is aimed at World Bank support for the Promoting of Basic Services (PBS) program. This is now in its third phase and covers the human rights noted above (education, health, water, sanitation, rural roads and agricultural extension) for 84 million people in Ethiopia. The program was launched in 2006, and the 3<sup>rd</sup> phase covers 2012/13 to 2014/15. According to recent reports from the African Development Bank and other donors (and independent observers) PBS-III includes continued decentralization of basic services and more specifically increasing the completion of primary levels

of education, lowering the maternal mortality rate, increasing agricultural productivity, lowering the average time to reach all-weather roads, increasing access to potable water, increasing local government budget controls and audits controls, and increasing information flows to citizens in the woredas (districts). It therefore covers the vast majority of the country. The program also has an explicit focus on gender, the socially excluded and the emerging region (or what HRW rather disparagingly calls “marginalized people”).

The view of all who have studied PBS is that it is an excellent example of harmonized support by donors to improve basic services in a low income country. It has greatly strengthened Ethiopia’s delivery of public services, allowing woredas, *inter alia*, to hire 100,000 additional primary school teachers, 38,000 health extension workers and 45,000 agricultural extension workers. It has helped people gain access to public budget information and understand it in over 84% of the district administrations, and given 120,000 citizens basic budget literacy training. Villagization isn’t actually part of the PBS, something that is hardly clear from HRW, but the donor community is actively engaging with the government in the program as part of Ethiopia’s broader development.

Most of these areas involved in PBS III involve consolidating progress made under PBS I and PBS II. All contribute towards the Millennium Development Goals. It might be added that the elements are subject to stringent performance indicators, verified by a series of measures including regular review reports. The result is that the PBS programs have produced real and significant progress in almost all the areas as well as significant policy reforms. Ethiopia is now one of the few countries in Sub-Saharan Africa which has made substantial progress in poverty reduction and in all aspects of human development. It is one of the few states which look likely to achieve all the Millennium Development Goals by 2015 not least in poverty alleviation. HRW is now, quite deliberately, trying to put all this at risk by its efforts to put a stop to all development programs and development aid.

Ethiopia, with the assistance of its development partners, has made highly impressive progress towards achieving the Millennium Development Goals, one of the few Sub-Saharan countries likely to achieve them all. Indeed, Ethiopia is reckoned one of the major success stories of development assistance by international agencies and major aid agencies. Nevertheless the achievements still remain fragile and if HRW’s efforts to bring all development aid to an end succeed the impact on the country’s pro-poor policies and the developments it has managed to achieve so far would be disastrous. Indeed, HRW appears to want to bring an end to the country’s development progress, and to return it to the poverty levels of the past. It is hard to imagine why. It is, indeed, a damning indictment of what HRW is all about that it is trying to stop programs that benefit millions of poor people, and even more so when the effort is based on information which HRW knows to be false and inaccurate, and assertions it knows are unproven.

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### **Médecins Sans Frontières has announced it is leaving Somalia**

The Medical charity, Médecins Sans Frontières (MSF) has announced that it is closing all its programs in Somalia and leaving the country after 22 years; it began closing down all its humanitarian operations on Wednesday (August 14). MSF’s President, Unni Karunakara, said it is one of the hardest decisions the organization had ever made. She told reporters in Nairobi that: "The closure of our activities is a direct result of extreme attacks on our staff, in an environment where armed groups and civilian leaders increasingly support, tolerate or condone the killing, assaulting and abducting of humanitarian aid workers." The charity said the “last straw” came when it discovered

that some of Somalia's official authorities were supporting or condoning lethal attacks on its aid workers. In one shocking case, the convicted killer of two MSF aid workers was mysteriously freed from prison and vanished into the streets after serving only three months of a 30-year sentence. Over the past two decades, 16 MSF employees have been killed in Somalia, including two who were murdered in Mogadishu in December 2011. Adding point to the decision, Al-Shabaab militants stormed a MSF Swiss-run hospital in Dinsoor district of Bay region late on Wednesday and took away equipment.

The withdrawal of MSF will certainly have an impact on the humanitarian response in the country. It is still recovering from the famine in 2011 in which an estimated 250,000 people died, and food insecurity and conflict continue to cause internal displacements. The UN estimates that 215,000 Somali children currently suffer from acute malnutrition, while one in ten newborn babies die before their first birthday.

Significant progress has been made in the last year with the end of the long political transition last year and the establishment of a federal government, with President Hassan Sheikh Mohamud elected by a newly chosen parliament. Over the last 18 months, AMISOM, the Somali National Forces and Ethiopian troops have made significant progress against Al-Shabaab, pushing it out of Mogadishu and a number of cities including Kismayo. Equally, many challenges remain. Even without the presence of Al-Shabaab, humanitarian access to an area can be difficult. Progress towards stability remains slow. Al-Shabaab continues to carry out suicide attacks and delays in setting up functional local government allows clan leaders, war lords, and militia-armed businessmen to operate.

Kenya, which hosts over half a million Somali refugees at the Dabaab refugee complex in particular and more elsewhere has declared its intention to begin the repatriation of Somalis from Dabaab from January next year. It is still far from clear that conditions will allow this to take place in south and central from where most of these refugees originate. The withdrawal of MSF is a clear indication of just how difficult the situation in these areas still is. MSF's decision will alarm the international community and it will be a serious blow to the tens of thousands of Somalis who have been helped by the organization over many years.

The Somalia government has already asked Médecins Sans Frontières to reconsider its planned withdrawal from the country saying that group's decision "will directly affect the lives of thousands of vulnerable people" and could lead to a "catastrophic humanitarian crisis." It has also urgently requested international community and donor countries to offer their support. A statement on Thursday (August 15) said the Federal Government of Somalia was deeply saddened by the decision of Médecins Sans Frontières to withdraw operations from Somalia. It will create a critical vacuum that needs to be filled. The Government recognized the invaluable contribution MSF had on Somali territories during the darkest periods of its history. Their hard work, commitment and perseverance resulted of many lives being saved. The Minister of Human Development and Public Services, Dr. Maryan Qasim, said "We are deeply thankful and extremely indebted to MSF for the extraordinary work they have done in Somalia. Their involvement over the past 20 years has provided life-saving services to the most inaccessible communities." She said that the Government understood the many challenges MSF have faced over the years but stressed the new Somali Government is ready to help overcome them. Dr. Qasim said that the Government was working towards providing a secure working environment to all aid agencies, and she strongly encouraged and seriously requested that MSF review its decision.