

A WEEK IN THE HORN OF AFRICA

22nd June 2012

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The Ministry of Foreign Affairs presents its 10-month report to Parliament

The Ministry of Foreign Affairs presented its ten-month performance report to the Foreign, Defence and Security Standing Committee of the House of People's Representatives on Wednesday [20th June]. Deputy Prime Minister and Foreign Affairs Minister, Hailemariam Desalegn, detailed the various activities carried out by the Ministry to bolster Ethiopia's foreign diplomacy and its bilateral and multilateral relations. Presenting the report, the Deputy Prime Minister told members of the Standing Committee that Ethiopia's strategic alliance with IGAD members and 16 other countries had made commendable progress in strengthening ties during the report period, and "tremendous growth" had been achieved with Ethiopia's strategic allies in bilateral and multilateral fora.

With reference to relations with IGAD members, Ato Hailemariam said that intense diplomatic activities have been undertaken in bilateral relations and within the auspices of IGAD to ensure strong economic interaction, integration, and regional security. He noted that, in addition to its role in building a developmental and democratic state at home, the Foreign Ministry had always taken the lead in all initiatives in resolving disagreements and conflicts in Sudan, South Sudan and Somalia and within the Horn of Africa in general, to ensure lasting peace and security in the region. Indeed, within the reporting period there had been successive meetings held with Kenya, Djibouti, Sudan and South Sudan on situations relating to the region's peace and security which had enabled IGAD members to take up similar positions.

On Somalia, Ato Hailemariam underlined the special emphasis accorded to security in the bilateral relationship. To that end, he said, the ministry worked closely with the Transitional Government of Somalia and with concerned regional countries and bodies. The result had been a significant improvement in the security situation over a large part of the country. On Eritrea, he noted that the government, apart from the diplomatic pressures and lobbying efforts to tighten UN sanctions on Eritrea to try to put a stop to the regime's destabilizing activities, had

taken calculated, proportional military measures to protect the territorial integrity of the nation and the security of the people living in the vicinity of the border area.

The Minister also highlighted the major activities conducted by the ministry in strengthening ties in relation to non-IGAD strategic allies. In his presentation, Ato Hailemariam emphasised the diplomatic activities aimed at fostering relations between Ethiopia and China. Cognizant of the fact that China is a major strategic partner in our development endeavours, he said, we have carried out fruitful diplomatic activities to scale up economic ties to a higher level.

The Minister added that successful activities aimed at strengthening ties with other countries included work with South Korea, Brazil, the Czech Republic, the Netherlands, and Rwanda. In the same vein, over the previous ten months relations with the USA, the UK, Germany, France, India, Turkey, and Japan had been promoted in a manner that reflected Ethiopia's strategic partnership over the reporting period. Efforts were also underway to improve the country's lukewarm relations with countries like Canada and Sweden.

The Minister's presentation also covered activities related to investment, noting the engagement with the Diaspora in development activities and the efforts aimed at mobilizing support for the Grand Ethiopian Renaissance Dam (GERD) along with other public diplomacy works. In relation to GERD, the Minister said, due to continuous efforts and activities in raising awareness of the benefit of the project to the nation's power demands and, more importantly, the lasting contribution it will make to the development of other riparian states, there had been growing and encouraging diplomatic support over the report period.

Referring to the Ministry's activity on attracting investment, the Minister said that a total of 335 foreign investors selected by missions abroad had made pre-investment visits to Ethiopia, and he added "more than 350 foreign investors with an aggregate capital of 61.3 billion Birr have been licensed to run about 392 investment projects, 163 of which have begun operation over the past ten months".

The Ministry had also conducted numerous activities in public diplomacy and media relations. The Minister mentioned the encouraging results gained in putting the nation in a positive light as a result of the media relations conducted with 57 international institutions highlighting the changes visible in social, economic and political spheres.

He detailed the activities of Ethiopian missions abroad in increasing the participation of the Diaspora in the country's development of the nation. There had been consultations and information provided to 26,000 Ethiopian and Ethiopian-born citizens during the reporting period, which had greatly helped in forging a consensus on the importance of the involvement of the Diaspora in Ethiopia's Renaissance. The Ministry had also held a consultative meeting with more than 500 Diaspora community members who came to Ethiopia for the Easter celebrations. This had covered topical national issues and had gone a long way in explaining the objectives of the Growth and Transformation Plan.

After hearing the Ministry's report, the Foreign, Defence and Security Standing Committee commended the Ministry on its 10-months performance. It particularly singled out its range of activities in civil service reform, and in economic, business and public diplomacy. It also urged the Ministry to continue to build on its successes and improve the areas in which it had achieved a less than impressive performance.

Somalia and Somaliland hold their first face-to-face talks

On Wednesday [20th June], the first ever face-to-face dialogue between the Transitional Federal Government of Somalia and the self-proclaimed Government of Somaliland opened at Chevening House, a UK Foreign Office centre outside London. The five-person Somalia negotiating team was headed by Interior and National Security Minister, Abdisamad Mo'alin Mohamed, and included the TFG's Ambassador to Djibouti, Abdi Hussein Gulwade, the Minister of Education and Culture, Ahmed Aideed Ibrahim, as well as two MPs, Hussein Hassan and Mohamed Hassan Adan. Somaliland's Foreign Minister, Dr Mohamed Abdullahi Omar, led Somaliland's team which also included the Ministers of the Presidency and of Labour and Social Affairs, Hirsi Ali and Mahmoud Ahmed Barre, the leader of the opposition UCID, Feisal Ali Warabe, and the 1st Deputy Speaker of Parliament, Bashe Mohamed Farah. Somaliland originally pulled out of the talks a month earlier after Somalia's President, Sheikh Sharif, appointed two ministers from Puntland as part of Somalia's delegation. After Somaliland protests, the makeup of the delegation was changed. Puntland has laid claim to large parts of the regions of Sol and Sanaag within Somaliland.

The agreement to hold the talks was reached at the London Conference on Somalia held in February. The final communiqué of the conference called on the two sides to hold formal talks to clarify their future relations. Britain, Norway and the European Union have all made it clear they would like to see the two sides negotiate a settlement.

Both sides detailed their positions in advance of the meeting. The TFG claimed it was entering the talks to establish parameters for the reunification of two formerly united areas of Somalia, while before leaving Hargeisa for London, Dr Omar assured the media that Somaliland would not renounce its bid for independence. "We should maintain our dignity as an independent nation, deserving of international respect. Our sovereignty is non-negotiable," Dr Omar said.

Dr Omar also wrote to Britain's Foreign Secretary, William Hague, copying his letter to Baroness Ashton, the EU High Representative, and to Jonas Gahr Støre, Foreign Minister of Norway. The letter noted that in 2001 "following a referendum which received the overwhelming support of the people of Somaliland, our country adopted a new constitution, which reaffirmed that the national territory of the independent Republic of Somaliland is identical to that of the Somaliland Protectorate, to which Britain granted independence in June 1960. Subsequent elections, which were deemed free and fair by international monitors, have elected governments firmly committed to this".

Dr Omar continued: It is therefore "unacceptable to Somaliland that the new draft Somalia constitution might purport to lay claim to our country. Somaliland emphatically rejects any such claim on our national territory." Nevertheless, he added that Somaliland is very willing to hold constructive discussions with the TFG or its successor to clarify future relations or discuss such issues as the fight against terrorism, piracy and jihadism. And he adds: "We ask that the international community now accept the reality that Somaliland is independent, and that promoting a dialogue between two sovereign entities in Hargeisa and Mogadishu will only aid our shared objective of securing a peaceful, stable Horn of Africa."

The talks concluded on Thursday [19th] with agreement on an 8-point plan. A joint statement said the two sides had agreed to hold further talks and that these would take place "in accordance with paragraph 6 of the London Conference Communiqué and paragraph 10 of the Istanbul II Conference Communiqué". The statement underlined the need "to adopt a common

approach to avoid anything that would undermine the continuation of the talks". It called for President Sheikh Sharif of Somalia and President Ahmed Silanyo of Somaliland to meet to review progress as soon as possible; and it has been suggested that this could happen within the next week in Dubai. The two sides asked for the international community to facilitate such talks and called on it to provide external experts on legal, economic and security matters which will need to be addressed in clarifying any future relationship between Somalia and Somaliland. The two sides "agreed to share experiences" on working more effectively with the international community on the use of development aid and in the provision of humanitarian assistance for the people of both sides and they called for the international community to increase that assistance. They agreed to cooperate in the fight against terrorism, extremism and serious crimes; and to work together on "the fight against piracy at sea and on land, maritime crime, illegal fishing and toxic dumping". They also reiterated their support for ending the Transition in Somalia successfully.

Somaliland's Foreign Minister, Dr Mohamed Abdillahi Omar described the two-day meeting as constructive as it had created a framework for future talks on issues that mattered to both sides. Somali's Interior Minister, Abdisamad Mo'alim Mohamed, also noted that the agreements to cooperate in the fight against terrorism, piracy, illegal fishing, and the dumping of toxic waste and to avoid anything that would undermine discussions, were constructive. Britain, Norway and the European Union who jointly organized the meeting said the aim was to support the two sides to "establish a framework for future substantive talks". They urged both sides to continue work to fulfil the pledges made during the London and Istanbul II conferences and at this week's Chevening House Declaration.

Prime Minister Meles meets Chinese President Hu Jintao at the G20 Summit

On Sunday 17th June on the side-lines of the G20 meeting in Mexico (18th to 19th June), Prime Minister Meles met with China's President Hu Jintao. Ethiopia and a number of non-G20 members were invited to attend the Los Cabos Summit which focused on global growth, stability and the fragile world economic recovery in the face of the euro zone crisis and other problems; it also considered some of the options to be raised at the UN Conference on Sustainable Development Summit later in the week.

With reference to the G20 Summit, President Hu noted that it was being held under complex circumstances and in the context of an economic recovery faced with multiple challenges. He said he expected the summit to pay attention to the unbalanced development between North and South, **to understand and take a proper view of the contributions of developing countries to the world economy and of their reasonable demands**, consider enhancement of the representation of developing nations in global economic governance and protect their development space. **Prime Minister Meles stressed that unbalanced development between North and South was the root cause of all imbalance. He noted that Ethiopia holds exactly the same view as China on numerous related issues.** Ethiopia and Africa were willing to strengthen coordination and cooperation with China over issues of world economic growth, global governance and climate change, including the maintenance of the common interests of developing countries and promotion of common development.

On China-Ethiopia relations, President Hu pointed out that these had developed healthily and had achieved fruitful results, and it was the common aspiration of both sides to consolidate and develop bilateral relations. China was willing to maintain high-level exchanges with Ethiopia, he said, to strengthen communication on major issues, to continue to promote cooperation in

the fields of trade, investment and infrastructure construction, to step up coordination and cooperation in the UN, the WTO and other multilateral mechanisms, to jointly push the international political and economic order forward **in a more just and reasonable direction** and protect the legitimate rights and interests of developing countries.

Prime Minister Meles agreed that Ethiopia-China relations were strong and comprehensive. The two countries hold identical position on many issues. Ethiopia appreciates China's valuable assistance to its economic and social development and is willing to implement the bilateral consensus and further promote the development of friendly cooperative ties.

President Hu stressed that the issue of development was one of the most urgent tasks faced by Africa. China would always attach importance to and back up Africa's development, support African countries in implementing the New Partnership for Africa's Development (NEPAD), and provide help for Africa through the Forum on China–Africa Cooperation (FOCAC). It highlighted cooperation in the fields of agriculture, infrastructure construction and human resources development. President Hu noted that the fifth ministerial meeting of FOCAC would be held in Beijing in July. China, he said, is willing to jointly plan future cooperation with Africa and push the new strategic partnership of China and Africa further forward.

Prime Minister Meles emphasized that **China followed the principle of respect for other countries' sovereignty and non-interference in each other's internal affairs**, that it sincerely supported and helped Africa and its efforts were deeply welcomed by African countries. China was an important partner in the development and rejuvenation process of Africa. African countries hoped to share and to learn from China's successful development experience. They also expected China to expand its investments in Africa and strengthen the mutually beneficial cooperation in manufacturing and infrastructure construction. They believed China could and would play a greater role to promote Africa's peace, stability and development. Ethiopia, the Prime Minister underlined, was ready to work with China to make the fifth ministerial meeting of FOCAC a full success and create a better future for China-Africa cooperation.

Ethiopia and Kenya assess last year's MoU on border security

Ethiopia and Kenya on Monday [18th June] signed a minute of activities as part of their agreement to assess the progress every six months of implementation of the Memorandum of Understanding on cross-border security which they signed in May last year [2011]. The MoU identified three areas of potential cooperation: exchange of military training, working together on matters of security, and strengthening relations on peacekeeping. Signing the minute of agreement in Nairobi were Ethiopian Defence Minister, Siraj Fegesa, and his Kenyan counterpart Yusuf Haji, recently appointed as Kenya's Acting Internal Security Minister. The minute identifies the areas of cooperation and the corresponding detailed activities to be carried out by both sides for the coming six months. The signing followed a Joint Military Affairs Conference in Nairobi between the Defence Chiefs of Staffs of Ethiopia and Kenya where the status of implementation of previously agreed activities, and any weaknesses identified, were discussed. An action plan to cover activities for the next six months was agreed.

One of the issues covered in the signed minute of activities was enabling of the two governments' security agencies to work together on issues related to cross border disputes, crimes, and militia gangs operating along the borders. As part of the agreement reached to strengthen cooperation on military training, the two ministers agreed to maximize the

exchange of trainees from both sides. On security cooperation, they agreed to establish three liaison offices in each other's border areas to exchange information, and work on sustainable settlement of sporadic clashes which have been going on between the Merille from the Ethiopian side and the Turkana from Kenya since May last year in disputes over fishing grounds and grazing areas. Kenya has established an army base along the Kenya-Ethiopia border at Todonyang, Turkana County, to monitor conflicts between border communities. Kenya has also asked Ethiopia to do the same on its side of the border to allow security personnel to tighten surveillance and address security issues as they arise.

Community members from both sides have said that previous clashes between the two communities **have been fuelled by elements of rebel militias hiding themselves along the border**. The importance of exchanging high-level and expert visits to discuss issues relevant to strengthening existing cooperation on peacekeeping operations has been underlined. Both sides expressed the commitment of their respective governments to ensure peace and security along the common border, and provide support to Somalia in its effort to bring the nation back to democracy from the hands of Al-Shabaab.

The truth about Voice over Internet Protocol (VoIP) in Ethiopia

The technical phrase, Voice over Internet Protocol (VoIP), literally the use of free or paid telephony service over the Internet, has created a considerable media buzz over the past couple of weeks in news coverage of Ethiopia. The term gained near house-hold usage within a matter of days on what was in fact a totally unfounded, and ridiculous, claim that Ethiopia had banned telephony using Skype, Google talk and other Internet usages in a draconian law passed by parliament. As the news was carried by some major media institutions, including Al Jazeera and the BBC, as well as the more usual offenders, this was sufficient for some to claim that the country had moved further in a downward spiral into areas where its inhabitants are incarcerated incommunicado. Gallons of ink were spilt over the week to declare Ethiopia as a place where freedom to receive and impart information had been curtailed in a most absolute form. The news went viral with the assistance of the usual social media commentators who seldom bother to check their sources or their information. Self-proclaimed cabals of human rights advocates were quick to label this “eerie” proclamation as the last nail in the coffin of freedom of information. Indeed, the backlash of violent comment from various quarters was shocking, if not entirely surprising, in terms of its magnitude and its fervour to jump onto this extensive smear campaign bandwagon. It is something that has, after all, happened before.

There is only one problem with all of these claims and comments: the whole story is quite simply untrue. Despite all the assumptions made that this was a ‘done deal’, the fact is that the allegations are simply false in their entirety. The whole story, and its ramifications, is a very clear example of the recklessness of journalists who failed to check even the most basic fact about the alleged proclamation. And that is that **the alleged law has not even been considered by the relevant parliamentary committee let alone enacted as law**. All that has happened is that a draft version was tabled for discussion. This, it might be noted, means that any changes to unclear provisions can still be made, as can outright changes or revisions.

Secondly, it is also apparent from a reading of the draft (something that few if any commentators appear to have bothered to do) that it does not actually ban usage of voice internet protocol services. Irrespective of possible revisions, the draft proclamation itself doesn't make any such suggestion and it is hard to see how this can be deduced from the draft. The draft doesn't suffer from the usual legal problems of obfuscation and lack of clarity. It is

actually plain even to the most untrained eye. The draft's relevant article 10(3) doesn't prevent the use of VoIP for personal use. It is all about the use of internet telephony for commercial purposes. The wording of the article which includes references to "whosoever provides" and "five times the revenue" are a clear indication that the provision is aimed to regulate usage of internet services for commercial use in places known as "internet cafes". The provision is, in fact, **intended to control service providers, many of whom operate without paying taxes for the revenues generated through these services.**

"Article 10 (3). Whosoever provides telephone call or fax services through the internet commits an offence and shall be punishable with rigorous imprisonment from 3 to 8 years and with a fine equal to five times the revenue estimated to have been earned by him during the period of time he provided the service.

10 (4) Whosoever intentionally or by negligence obtains the service stipulated under sub-article (3) of this Article commits an offence and shall be punishable with imprisonment from 3 months to 2 years and with fine from Birr 2,500 to Birr 20,000".

It is quite clear that these two articles refer to the provision of a business providing telephone calls or fax services over the internet. It might be added that the legality of banning the independent provision of telephony services is hardly a matter of dispute. The state-owned organization, Ethio Telecom has the unquestioned legal authority over the provision of telephony and internet services. Any internet service provision unauthorized by Ethio Telecom is illegal. Nor, it might be added, is this anything new. It was banned by law nearly a decade ago, though there have, in any case, been no reports of any prosecutions from that legislation. In other words the stories and rumours of the last two or three weeks are, to use a fine Americanism, just plain hogwash, no more, no less.

The Renaissance Dam will "Integrate the Interests of Nile Basin States"

Last week, a Sudanese Engineering Association in Khartoum held a symposium under the theme: **"Ethiopia's Renaissance Dam and the Future of Development in Sudan"**. Chaired by Sudan's Minister of Irrigation and Water Resources, Professor Hamad Abdallah, the symposium was attended by a number of leading experts and consultants in the field of Nile waters and irrigation and covered analysis and debate on the economic and environmental effects of the Dam on the states of the Nile Basin and the Sudan in particular.

Professor Abdallah noted that his Ministry had conducted various studies on the Nile Basin states and it had a complete vision of what was going on currently and in the future with respect to the Dam. Sudan, he said, would be able to make maximum use of the Dam whose effects would include a very substantial reduction in soil erosion along the banks of the river, and in sediment whose removal currently costs millions of dollars every year. He said that the Dam would provide water at fixed levels, thus assisting irrigated agriculture, especially when shortages of rain occurred across the region. The Minister noted that the Dam would provide significant quantities of power and this would be able to be purchased from Ethiopia which was currently selling it at US50 cents per kilowatt, far less than the production cost in Sudan. The Minister also emphasized that the Dam would have many benefits for Egypt including reduction in the amount of alluvium, or silt, reaching the Aswan High Dam, and in significantly lowering the amount of water lost through evaporation. He noted that Ethiopia had consistently shown its preparedness to listen to proposals by Sudan and Egypt in the interest of all parties.

The Dean of the Engineering Faculty at Khartoum University, Professor Mohamed Akod Osman, pointed out that the Renaissance Dam would have a positive impact on Sudan if agreement on operating it to achieve development and self-sufficiency could be reached because it would supply water at a stable rate throughout the year. It would, he said, also reduce alluvium reaching Sudan by 100 million cubic metres. At the same time it was important to take into account international legal legislation on the Nile Basin waters as the Dam will change the level of Nile waters for the Basin States. The Renaissance Dam could provide a huge amount of electricity that could be used for development in the Nile Basin states, and **he urged Sudan and Egypt to assist in the cost of construction, which he estimated at US\$5 billion in order to ensure their common interests were considered.**

Dr Osman Al-Tom Hamad, an advisor to the Ministry of Water Resources, explained that the building of the Renaissance Dam was especially aimed at generating power not agricultural production. He pointed out that the building of the Dam, located 12 kms from Sudan, is expected to be finalized in 2017. **Some 10 per cent had already been constructed.** He also noted that while the Dam might affect electricity production in Sudan during summer, it would improve during winter because waters would be available during this period. However, he said, as Ethiopia offered such cheap electricity to Sudan this would be a trivial issue. Dr Hamad called for Sudan to make use of the available waters in agriculture and work for agricultural integration in the Nile Basin States.

Dr Ahmed Adam Osman, an advisor to the Ministry of Water Resources, affirmed that the Basin states can benefit from the Nile waters if an agreement satisfactory to all parties could be reached. He noted Ethiopia had the feeling that it had not been reaping any benefits from the Nile waters. Egypt, Sudan and Ethiopia were suffering poverty, climate change and accumulating alluvium along the Nile stream. The Dam would block the upstream water, reducing alluvium and helping precipitation. This, in turn, would reduce the amount of evaporation. He called for joint work among the riparian countries so that no one country might control the Nile waters.

Sudan's former Prime Minister, Sadiq Al-Mahdi, who also took part in the symposium, noted that any lack of agreement among the Nile Basin member states could lead to a grave political crisis. The refusal of any party to participate would encourage others to take up more fundamental positions and create a 'cold war' among the riparian states. He said it was necessary to review the agreement on the Nile waters in such a way as to make all member states feel there was a fair distribution of quotas. He added that no military solution could be useful in this area, but the solution to disagreements must rest with recognition of the need of the Basin states and acceptance of their opinions on the agreement signed during the colonial period as well as their desire to benefit from the Nile waters. Al-Mahdi called for a collective conference for all Sudanese to have their say to determine this issue of the Nile waters and to integrate the interests of all Nile Basin member States. Sudan, he noted, was blessed with arable lands while Ethiopia and Egypt have the greatest potential for electricity production and manufacturing expertise respectively.

IMF Mission visits for Article IV consultations

The International Monetary Fund (IMF) has raised its growth forecasts for Ethiopia over the next two years and said inflation may slow to less than ten per cent next year. The IMF said the economy was expected to maintain a growth rate of 7 per cent in 2012/2013, upgrading earlier forecasts of 5.5 per cent because of the indications of slowing inflation. The annual inflation

rate fell for the third straight month in May to 25.5 per cent from 29.8 per cent in the previous month. As usual, of course, the IMF forecasts are still well below government estimates of a more than 11 per cent growth for this year. The government and the IMF use different parameters for measuring economies.

These changes in the IMF forecasting for Ethiopia follow the visit of an IMF mission to Addis Ababa between 30th May and 13th June. The mission came to hold discussions for the 2012 Article IV Consultation and the IMF Executive Board is expected to complete the 2012 Article IV consultations in mid-September. The Mission met with Prime Minister Meles, the Minister of Finance and Economic Development, Sufian Ahmed, the Governor of the National Bank, Teklewold Atnafu, the Economic Advisor to the Prime Minister, Minister Neway Gebre-ab and other senior officials as well as representatives of the private sector, the international community, and civil society.

At the conclusion of the visit, the head of the mission, Mr Michael Atingi-Ego, said in a statement that “the Ethiopian economy continues to grow at a robust pace, poverty continues to fall, and inflation, while still high, has been declining.” He said that the expansion in economic activity had been supported by robust export growth and public enterprise investments. Tight monetary and fiscal policies had contributed to the deceleration of inflation, which also reflected declining international commodity prices. Monetary tightening, reflected in a contraction of base money, had been achieved by terminating central bank financing of the budget and significant sales of foreign exchange. As a result of this foreign exchange intervention, gross official foreign reserves have declined to under two months of import coverage. The budget execution has been prudent, but increased domestic credit to public enterprises has been providing strong fiscal impulses.

As a result of these activities, the IMF now says that it expects Ethiopia’s real GDP growth to reach 7 per cent for 2011/2012 and inflation to fall to about 22 per cent by the end of this year. It also projects a similar growth rate for 2012/13 and single digit inflation if the government maintains the same tight monetary and fiscal policies.

The mission recommends continuing the fight against inflation. It said the policy of no central bank finance for the budget should remain in place to send a strong signal of the commitment to fight inflation. It suggests that raising interest rates immediately would encourage the Treasury bill market and provide for liquidity management and monetary policy implementation. Higher interest rates would also support domestic savings mobilization that the IMF notes is a key to financing the investment required for Growth and Transformation Plan projects.

The IMF believes that “the financing of the GTP should strike a balance between seeking to promote growth and ensuring macroeconomic stability”. Given the government’s aim of financing long-term projects from domestic sources, the IMF says it is important to increase oversight of the financial sector to ensure its stability. Externally, it says rebuilding of official foreign reserves will provide a buffer against the possible exogenous shocks that might arise from the current volatile global environment. It also suggests comprehensive monitoring of both external and domestic public debt would help to maintain the country’s debt sustainability.

News and Views

Ethiopia, Qatar agree to strengthen all-round relations

A Special Envoy of Qatar's Foreign Ministry has said Qatar wants to reinforce its bilateral ties with Ethiopia. The Special Envoy, Ambassador Ibrahim Abdulaziz Al Sahlamy held talks on Monday [18th June] with Deputy Prime Minister and Foreign Affairs Minister, Hailemariam Desalegn. He noted that Qatar would work to promote the relations of the two countries especially in the tourism sector. The Deputy Prime Minister stressed to Ambassador Sahlamy that Ethiopia was keen to provide investment opportunities for Qatar. Indeed, the same day, the Deputy Premier held discussions with a delegation from the Selateen Group, a company based in Qatar. The head of the delegation, Abdalla Salim Selateen, said Gulf Countries were interested in investing in the agriculture, livestock and tourism sectors of Ethiopia, and Qatar, he added, is committed to benefiting from the comparative business advantages offered by Ethiopia throughout the region. Ambassador Dina, the Ministry of Foreign Affairs Spokesperson, pointed out that the current visit of the Qatari delegation to Ethiopia followed the resumption of diplomatic relations between the two nations. Qatar and Ethiopia have agreed to reopen their respective Embassies shortly; and direct flights between the two countries are also expected to begin soon.

Sudan, South Sudan's Joint Political and Security talks resume

Sudan and South Sudan have reopened their negotiations on post-secession issues under the mediation of the African Union High Level Implementation Panel (AUHIP) in Addis Ababa. The defence ministers of the two countries met yesterday to discuss specific issues on border security. The last meeting, which took place from 4th to 7th June in Addis Ababa, covered such issues as the cessation of hostilities, unconditional withdrawal of forces to their own side of the border, cessation of harbouring and supporting of rebels against the other state, constituting and assembling the Joint Border Verification and Monitoring Mechanism (JBVMM) and the formation of the Ad-Hoc Committee. Sudan and South Sudan have been given a three-month deadline by the United Nations Security Council and the African Union to conclude negotiations over outstanding issues between them, including citizenship, oil exports, demarcation of borders and the status of the Abyei region. Both sides have agreed to implement the AU and UN-promoted peace plan and both sides have withdrawn their forces from Abyei as demanded by UN Security Council.

Ethiopian to fly to South America for the first time

Ethiopian Airlines has announced it will start flying to Sao Paulo, Brazil in December this year. It is intending to launch a thrice weekly flight to Sao Paulo with the new "Dreamliners" that it expects to receive from Boeing in August and September. Ethiopian's CEO, Tewolde Gebremariam, has noted that the national flag carrier will operate the Sao Paulo flight via Lomé, Togo where Ethiopian's West African venture ASKY Airline is based. Lomé is intended as Ethiopian's West African hub and ASKY will be used as a feeder to Ethiopian for the flights to Sao Paulo. Ato Tewolde says Ethiopian Airlines is now planning to put a heavy emphasis on Brazil, China and India, pointing out that these countries will drive the growth which is central to its "Vision 2025" strategy. Ethiopian will be broadening its reach in Africa with another hub in Southern Africa as well as a central hub to complement its base at Addis Ababa. Ethiopian Airlines is also starting new flights to Toronto in July and to Namibia's capital, Windhoek, in October-November.

EU plans to put pressure on pirates' business activities

The European Union has said it is aiming to step up the pressure on the business activities of Somali pirates including their financial transactions, procurement of assets, seizure of ships, negotiation processes and the money obtained from ransoms. At a press conference in Brussels on Tuesday [19th June], Admiral Potts, the commander of Operation Atalanta, the EU Naval Force operating off Somalia, said the EU was also looking to "increase the pressure militarily when the conditions necessitate using it and to support the EU's Special Representative for the Horn of Africa to enhance governance and security and provide alternative livelihoods such as fishing for Somalis." Admiral Potts said that care would be taken to ensure that innocent coastal communities are not affected. He said the Regional Anti-Piracy Prosecution and Intelligence Coordination Centre, aimed at the pirates' financial activities, was getting off the ground in the Seychelles. Pirates seized 28 vessels in the first half of 2011, but just three in the second half of last year and five so far this year. Admiral Potts attributed this partly to the extensive increase in the use of private security firms by commercial shipping, but he added that Operation Atalanta's tactical success were reversible if pressure wasn't maintained, if the shipping industry didn't take measures to look after itself, and most importantly if the issue of governance in Somalia wasn't addressed. The EU's Special Envoy for the Horn of Africa, Alexander Rondos, noted that the EU still needed to find out who was funding Somali pirates as they were "part of a much bigger problem in the Indian Ocean, which is the globalization of organized crime". He said his office was currently looking into new reports that pirates had gone into business with European gangsters to profit from the disposal of toxic waste.

Ethiopia's Commodity Exchange (ECX) to get a new CEO

Anteneh Assefa, currently Vice-President of Operations of the Bank of Abyssinia, has been appointed the next Chief Executive Officer (CEO) of the Ethiopian Commodity Exchange by the Board of Directors of the Exchange. He will join the ECX as CEO designate on 1st August. The current CEO, and founder of the Exchange, Dr Eleni Gebre-Medhin, will retire from a leadership role in the company as of the end of September, though she will continue to have an advisory role. Dr Eleni told journalists that the transition is the outcome of a succession plan that has been in the process of implementation since May 2010 to ensure a smooth handover from the team of internationally-recruited management professionals who designed, implemented and managed the day-to-day operations of ECX from its inception in April 2008. Since then ECX operations have grown from a single warehouse with which it started to over 55 warehouses today. The Exchange traded 608,000 tonnes during the last fiscal year worth over 1.5 billion birr. Its market information system is attracting 1.1 million phone inquiries a month and the trading system is now linked to 2.4 million farmers. It has received numerous international awards and widespread recognition in Africa and elsewhere.

UPDATE: Somali leaders approve the draft constitution

The Somalia Roadmap Signatories meeting in Nairobi this week finally approved the draft constitution on Friday [22nd June]. Present were President Sheikh Sharif and Prime Minister Abdiweli Mohamed Gaas of the TFG, Speaker Sharif Hassan, the Presidents of Galmudug, Mohamed Ahmed Alim, and of Puntland, Abdirahman Mohamed Farole and representatives of Ahlu Sunna wal Jama'a. Also attending were UNPOS officials, including Ambassador Mahiga, the UN Secretary-General's Special Representative and Head of UNPOS and other stakeholders. The signatories agreed on the Draft Constitution which will now be made public and President Sheikh Sharif signed a decree establishing a legal framework to conclude the constitution-

making process through provisional adoption of the Constitution by the National Constituent Assembly. The NCA will be convening in Mogadishu from 12th to 20th July to deliberate and vote on adoption of the provisional constitution. Agreement was also reached on the establishment of a number of committees to facilitate the end of the transition. Ambassador Mahiga said after the meeting that the “signatories have come together in a spirit of cooperation and compromise and have collectively committed to move the process forward.” He also pointed out that the transitional period ended in less than 60 days and “we have no time to lose.”

The international community has been continuing to put pressure on the signatories to end their differences and focus on producing a smooth transition. With the number of senior officials and others putting their names forward as presidential candidates now numbering well over a dozen, the international stakeholders have made it clear that many of them should forget their personal interests and withdraw their candidacies.

The international community has also made it clear it remains concerned over the delays in some elements of the timeline for the transition. According to the Addis Ababa communiqué agreed on 23rd May by signatories of the Roadmap, the selection of the National Constituent Assembly (NCA) which will vote on adoption of the draft constitution was scheduled to be completed by Wednesday [20th]. On Monday [18th], Prime Minister Abdiweli asked the traditional elders who have been meeting in Mogadishu to speed up the process to provide a list of Assembly members, pointing out that it was these people “who will vote on the Somali constitution which is a vital document crucial to ending the transitional period.” The traditional elders are selecting the 825 representatives for the Assembly which will adopt the transitional constitution, and, along with a protocol committee, select the federal parliament's representatives.

Meanwhile, the Minister of State at the Government Communications Affairs Office, Ato Shimelis Kemal told journalists on Friday [22nd] that the Ethiopian troops will stay in Somalia until an elected government is set up in Mogadishu and takes over from the Transitional Federal Government. The transition period is scheduled to end on 20th August. They would stay “until the Constituent Assembly will ratify the constitution and thereby the establishment of a new democratic and constitutional government will be ensured, Ethiopian forces will remain [in Somalia].” Ethiopian troops in Belet Weyne and Baidoa, towns that they earlier liberated from Al-Shabaab, are due to be replaced by AMISOM forces of Djibouti and those of Uganda and Burundi respectively. Djibouti troops have been arriving in Belet Weyne all this week, and the first AMISOM forces reached Baidoa at the beginning of April. Ethiopia also has forces in Gedo region.