

A Week in the Horn

27th June 2014

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News in Brief

AU

The 23rd Assembly of AU Heads of State and Government officially opened (June 26) in Malabo, Equatorial Guinea under the theme of "Agriculture and Food Security. African leaders attending the Assembly have been unanimous on the strategies needed to step up agricultural transformation to promote the continent's development. The 25th ordinary session of the Executive Council of the African Union was also held this week (June 23-24).

African Union's Commissioner for Peace and Security Smail Chergui said Africa is making progress towards a regional military force by the end of next year, as four of the five regional brigades due to make up the Standby Force were in an advanced state of readiness, including the North African one.

Ethiopia

Prime Minister Hailemariam Desalegn paid an official visit to the Federal Republic of Nigeria (June 25-26) and the Republic of Benin (June 24). Ethiopia and Nigeria agreed to comprehensively deepen mutual cooperation in the fields of trade and investment, tourism and agriculture as well as security. PM Hailemariam was awarded "The distinction of Grand Cross of the National Order" of Benin by President Boni Yayi.

The launching ceremony for the construction of a medical facility **worth USD 100 million**, will take place in Addis Ababa (June 28). The Ethio-American Doctors Group (EADG) Santhe centre will have a hospital, long-term care and other health related facilities, including hotel and meeting centre, office buildings and relevant retail (pharmacy, health gym and physical therapy) facilities.

Ethiopia's first ever oil blending plant, Naztech Petroleum Investment Group, will commence production **on** June 24. The plant will produce lubricants using the latest standards of the American Petroleum Institute (API) and it **is in** line with Ethiopia's objectives of indigenizing its oil and gas industry.

Ethiopia along with UNICEF, the United States and the governments of India unveiled (June 25) in Washington a new initiative called "A Promise Renewed," and urged **d** action to save the lives of hundreds of thousands of mothers and children who die each year from preventable causes. Ethiopia's minister of health, Kesetebirhan Admasu, said even though African nations have reduced the under-five mortality rate by 53 percent, it is important to remind ourselves that a lot **still** has to be done and **efforts should be intensified**.

The United Nations Conference on Trade and Development's (UNCTAD) World Investment Report 2014 said (June 24) that Ethiopia had increasingly become a growing recipient of foreign capital flows and **was** the most attractive destination **for** investors in the region in 2013, receiving USD 953 million worth of Foreign Direct Investment (FDI. (See Article)

Eritrea

A year after Ottawa expelled the consul-general of Eritrea the "Diaspora tax" program appears to be continuing undeterred, it was reported. According to reports, several Eritreans tape-recorded the conversations with the Toronto consulate as evidence the consulate was still an active player in the taxation scheme (see article).

Somalia

An agreement to establish a new interim regional administration in south west Somalia, comprising the regions of Bay, Bakool and Lower Shabelle was signed (June 22) in Mogadishu and approved by Somalia's Cabinet (see article).

UN Secretary-General Ban Ki-Moon welcomed the **signing**, on June 22 in Mogadishu, of an agreement to establish a new interim regional administration in South West Somalia, and commends all parties involved for their diligent negotiation of this important agreement **urging** its prompt implementation.

Kenya

More than 1,300 high-level participants around the world converged **d** for a five-day meeting in **the** Kenyan capital, Nairobi for the United Nations Environment Assembly (UNEA) meeting **which kicked off on** June 26. The meeting discussed **d** issues including illegal trade in wildlife; environmental rule of law; financing the Green Economy; and the Sustainable Development Goals and the Post-2015 Development Agenda.

German business delegation groups comprising more than 25 small- and medium-sized companies as well as inter-trade organizations representing the health and water sectors are visiting Nairobi to explore trade and investment opportunities in the health and water sectors in Kenya.

Tullow Oil announced that it has discovered high quality oil in the Ngamia-2 well in Kenya, which it has been drilling with its partners, Africa Oil. Angus McCoss, exploration director with Tullow Oil, said the success of the well builds on its major basin opening discovery well, Ngamia-1.

Kenyan fighter jets have attacked two bases, Anole and Kuday in the southern Lower Juba region, which belongs to Islamist Al Shabaab insurgents in Somalia, and killed at least 80 militants, AMISOM said (June 23). AMISOM also announced **that** it "continues to up the pressure on Al Shabaab with a view to liberating more areas in forthcoming operations."

Sudan

Sudan has called on the UN to undertake a greater role towards the development of Darfur States. Foreign Minister, Ali Karti, in a press statement (June 24) disclosed that an agreement was made between the government and UN, whereby the UN will soon dispatch a delegation to engage authorities in Darfur on how to support development projects, mainly to meet the urgent needs of IDPs, with a focus on water, education, policing and capacity building.

The National Assembly of Sudan endorsed new anti-terrorism and anti-money laundering laws (June 25). The **laws, it is said**, will cement good governance and contribute to maintaining national security.

South Sudan

The Intergovernmental Authority on Development (IGAD) announced (June 23) the Peace talks between the government and South Sudan forces in opposition, adjourned to allow hold "broad consultations with South Sudanese stakeholders, the leaders of the IGAD region, the African Union the United Nations Security Council and other friends and partners of South Sudan."

Amendment of Investment Proclamation for Improved FDI

Ethiopia's investment climate has been improving steadily for the past ten plus years. With consistent high economic growth and increasing fiscal and monetary stability, Ethiopia has become known as one of the handful of economies which can expect to emerge as a manufacturing powerhouse.

A number of factors support the likelihood of an Ethiopian manufacturing boom. First, in addition to the favorable policies and laws, the country is the second most populous country in sub-Saharan Africa, with an estimated population size of over 90 million, **after** Nigeria. By any standards, that represents a lucrative potential market for all types of goods and services. The demographic distribution of this population includes a huge youth bulge, offering the possibility of a productive and relatively wage-competitive labor force, skilled enough for manufacturing jobs.

A second reason lies in the country's economic resources. Ethiopia is endowed with abundant fertile and irrigable land, ideal for varied crop production. That alone makes Ethiopia's agri-business an attractive sector for investment, particularly in high-value crop production areas including horticulture and floriculture. Equally, the appeal of a competitive agriculture endowment also lies in the fact that manufacturing industries, such as food-processing and textile production, rely heavily on cheap and abundant primary products to compete in the international market. These are available in Ethiopia.

Ethiopia also benefits from several favorable advantages for external trade. It enjoys duty-free and quota-free access to a number of different markets. Among these are the European Union's Everything but Arms preferential trade privileges for African countries, the USA's African Growth and Opportunity Act (AGOA), supporting Africa's textile and garment industries, and access to the COMESA common market. With African economies set to register a robust above-average growth, and particularly COMESA's estimated 400 million plus population, which is expected to continue its rise in spendable income, investing in Ethiopia has become an increasingly appealing option. The decisions of numerous key global industry players to invest in Ethiopia's fledgling manufacturing sector are evidence of the growing appeal the country holds. Foreign businesses from Turkey, China, and India, countries from the Middle East, Europe and the Americas have made Ethiopia one of the largest destinations of Foreign Direct Investment (FDI) in Africa.

The United Nations Conference on Trade and Development's World Investment Report 2014 recently defined Ethiopia as one of the major investment destinations in Africa. It said it had become a steadily increasing recipient of foreign capital flows and described it as the most attractive destination of investors in the region in 2013. According to the report, Ethiopia received US\$953 million worth of Foreign Direct Investment (FDI) in 2013. The report implied that this notable progress in attracting FDI was a clear response to the Government's **correct** mix of industrial policies and strategies. These had created enabling factors for increasing capital flows into the country in selected priority areas for investment. The report also indicated that the country's industrial strategies had played a crucial role in attracting foreign investors in the manufacturing sector and bolstering the growth of FDI.

The UNCTAD report said Ethiopia had used the FDI flows to start to build its Climate Resilient Green Economy, and suggested it should remain committed to the advancement of its investment landscape to catch up **with** top FDI recipient countries. According to the report Ethiopia, along with Kenya, had boosted the East African region's FDI growth by 15 percent as a whole and generated US\$6.2billion. Ethiopia is already committed to this. The adoption of the country's five-year Growth and Transformation Plan (2011-2015) as the Government-led policy and implementation, now in its fourth year, set out the need to increase current levels of FDI inflows. With that in mind, the Government has already launched studies to identify any areas of investment administration that need improvement.

Consideration of the progress made and the administration of investment in Ethiopia have shed light on a number of shortcomings that need to be corrected if present levels of investment are to improve. One of the major areas that required improvement has been coordination between different organs of government, both at federal and regional levels. The lack of coordination has made the Government's regulatory and support side of investment less efficient **than it could be**. Another issue that needed to be addressed was adaptability to changing international environments with regard to investment and economic growth. The old modes of investment administration have been shown to lack the dynamism necessary for current FDI needs. As a result, the House of Peoples' Representatives last week deliberated and approved amendments to the Investment Proclamation (number 769/2004) that has been in force for more than a decade.

The amendments to the old Investment Proclamation include regulations that change the structure of investment administration and address the issue of industrial zones and incentives and support to investment. With regard to the main implementing agency on investment issues, the amendments have changed the structure of the existing Investment Agency and have upgraded it to the level of an Investment Commission.

The new law provides for top political leadership and direction for the country's overall investment climate. It has established a National Investment Board presided over by the Prime Minister. This high-level leadership is intended to effectively and efficiently address investment problems and hurdles. Equally important, it will reflect the government's commitment to attracting foreign direct investment to contribute to Ethiopia's ongoing transformation. The amendment gives the new National Investment Board new powers including the authority to grant additional investment incentives over and above the standard set of incentives laid down in the law. Previously, the board could only make suggestions to the Council of Ministers. The new board also has the power to make exceptions and allow foreign investors to invest in areas otherwise reserved exclusively for domestic investors.

Another important development in the amendment relates to industrial zones that have recently become popular with many foreign investors. The amendment authorizes the new Investment Board to limit or expand the physical territory of an industrial zone, and gives the Board the power to issue directives to amend the regulations for the administration of these zones as appropriate.

These changes to the law, voted by the House of Representatives, reflect the growing complexity and scale of Foreign Direct Investment flows to Ethiopia and the need to adapt to changing international circumstances and exposure. Focused firmly on development and the realization of the Growth and Transformation Plan, the Government remains committed to resolving administrative obstacles to smooth the implementation of investment projects and provide all necessary support to businesses investing in the country.

World Refugee Day marked in Ethiopia

World Refugee Day was celebrated last week (June 20) with events across the world under the theme "One family torn apart by war is too many". In Africa, the events included a wide range of activities including art and photo exhibitions, dance and music performances, poetry recitals carrying messages of peace, long distance runs and fashion shows, as well as film festivals to encourage people to think about the lives of refugees. World Refugee Day was designated by the United Nations to honor the courage, strength and determination of women, men and children who are forced to flee their homeland under threat of persecution, conflict and violence.

This year's World Refugee Day was observed in Ethiopia on June 20 at the National Cultural Center. Speaking on the occasion, the Deputy Director of Administration for Refugee and Returnee Affairs (ARRA), Mr Ayalew Aweke, underlined that Ethiopia had hosted refugees for many years and it still remained home to refugees from various countries irrespective of their religion, race or nationality. Mr Ayalew indicated that in the last three years wars and conflicts had generated more refugees and internally displaced people than in all the previous eight years combined. He said that last year there had been a total of 400,000 refugees in Ethiopia and that this year the country was hosting over 565,000 refugees, mainly from Somalia, South Sudan, Eritrea and Sudan, in 22 refugee camps. He said during the last twelve months Ethiopia had received over 180,000 South Sudanese refugees and these were now accommodated in four new additional camps.

Ethiopian Orthodox Church Development and Intra-Church Aid Commission (EOC-DICAC) representative, Mr Yelekal Sheferaw, noted that Ethiopia, working together with partners, was providing shelter for many refugees. Mr Yelekal said all governmental and non-governmental organizations and other stakeholders had a moral responsibility to strengthen national and international engagements to help refugees.

The United Nations World Food Program (WFP) in Ethiopia used the celebration to make an urgent appeal for US\$50 million to meet the needs of the nearly 150,000 South Sudanese who have sought shelter here since the conflict in South Sudan began in December last year. WFP Ethiopia Country Director, Mr Abdou Dieng, said "Thanks to its generous open-door policy, Ethiopia currently hosts the largest number of South Sudanese refugees of any neighboring country." He noted that the fighting had prevented people from planting their fields in South Sudan, and added that this was "all the more reason for the international community to give generously to those in need."

Ethiopia has a worldwide reputation for its well-known hospitality to refugees, especially those from neighboring countries. Not surprisingly, given its geographical position, as well as environmental and geopolitical developments in the region, Ethiopia continues to receive refugees from neighboring countries on a significant scale. The country has a long history of receiving people displaced by cross-border movements caused by droughts, conflict, political events and civil wars in Eritrea, Somalia, South Sudan and Sudan. Ethiopia also hosts refugees from a number of other African countries including Rwanda, Burundi, Liberia and Uganda.

Ethiopia is a signatory to UN and AU refugee conventions and protocols and has maintained its tradition of an open door policy for refugees. It continues to allow humanitarian access and protection to those seeking refuge on its territory. In the past, it has allocated land for some 18 refugee camps in eastern, western and northern parts of the country, including Dollo Ado near the Somalia border, Shire for Eritrean refugees and in Gambella and Assosa in the west of the country for refugees from South Sudan and from Sudan. New camps are now to be opened as the majority of existing camps have reached maximum capacity. The camps provide shelter and food and the Government also provides for police forces in the camps as well as security, and facilitates customs clearance for NGOs for internationally procured items for the refugees. Ethiopia also supports out-of-camp schemes, allowing refugees to live outside refugee camps and engage in informal sector activities as livelihood opportunities. The main beneficiaries so far have been students absorbed into universities, most on scholarship schemes with their fees paid by the Government.

The main objectives of refugee operations in Ethiopia are protection for the refugees and provision of care and maintenance assistance as well as promotion of voluntary repatriation of refugees and recovery programs, including school feeding and environment-focused food-for-work programs. The UN Human Rights Commission for Refugees (UNHCR) is the main body in charge of coordination of assistance for the different camps in Ethiopia, with AARA [**Administration for Refugee and Returnee Affairs**], the governmental institution which is the main implementing partner in charge of food distribution, security, and other programs on health, education and other areas.

Currently, the main groups of concern within Ethiopia are: more than 240,000 refugees from Somalia, most in the eight camps in Dollo Ado and at Jijiga, with a small number in Addis Ababa who have sought protection in Ethiopia from insecurity and drought as well as fear of harassment and forced recruitment by Al-Shabaab; more than 95,000 Eritrean refugees, mainly located in camps in Tigray and Afar Regional States, with a number of urban refugees in Addis Ababa and Mekele, who have fled from forced and indefinite conscription into the Eritrean military; more than 40,000 Sudanese refugees fleeing fighting between the Sudan People's Liberation Movement-North and the Sudanese Armed Forces in Blue Nile State, and now in three camps in the Assosa area in Benishangul Gumuz Regional State; and more than 150,000 South Sudanese refugees in camps in the Gambella region or settled among host communities in Wanthowa Woreda and Raad, most of whom fled Jonglei State to escape the current conflict in South Sudan.

According to the UNHCR's annual global Trends Report, the number of refugees, asylum-seekers and internally displaced people worldwide has, for the first time in the post-World War II era, exceeded 50 million people. The recent massive increase has been driven mainly by the war in Syria, which by the end of last year had forced 2.5 million people to flee their country and made another 6.5 million internally displaced. Major new displacements, the report noted, had also been seen in Africa, and it emphasized the additional refugee flows of the Central African Republic and South Sudan.

Agreement in Somalia on a three-region state for Bay, Bakool and Lower Shebelle

An agreement over the creation of a regional state in South West Somalia has been signed between the South West Group 'SW-6', led by Mr Madobe Nunow Mohammed, and the South West Group 'SW-3', led by Mohammed Haji Abdinur (Mad-Der). The agreement came **about** on June 22 in Mogadishu after a series of talks hosted by the Federal Government of Somalia over several previous weeks. The dispute between the two rival groups in disagreement over the size and leadership of the regional state in South West Somalia had led to a political crisis in the area and threatened to spill over into violence. The 'SW6' groups were in favor of forming a regional state that brought together six regions, namely, Bay, Bakool, Lower Shebelle, Gedo, Lower Juba and Middle Juba. The 'SW3' group wanted a three-region state comprising only Bay, Bakool and Lower Shebelle, and recognizing the three regional states of the Juba Interim Administration, of Gedo, Lower and Middle Juba, formed by the Addis Ababa Agreement of August 27 last year.

Both groups held conferences in the capital of Bay region, Baidoa, in March. At the beginning of the month, the one group elected a leadership for a six-state South West State, adding Gedo, Middle and Lower Juba regions to Bay, Bakool and Lower Shebelle. At the end of March, a second conference chose its president for a three-region South West Somali State of Bay, Bakool and Lower Shebelle. The Federal Government invited delegations from the two groups, the 'SW-6 led by Madobe Nunow Mohamed, and the SW-3 led by Mr Mohamed Haji Abdinur, to come to Mogadishu in early May. It said it aimed to resolve the political crisis between the two parties to facilitate the establishment of "an inclusive and viable regional administration for South West Somalia". It therefore began consecutive meetings, with the two sides separately and then face-to-face, at which they agreed on the key basic principles and mechanisms necessary to create a viable Interim South West State Administration.

In the agreement, signed last Sunday, the two sides agreed to form a governance structure based on the aspirations of the will of the people and in conformity with the constitution of Somalia. They agreed to respect the Addis Ababa Agreement of last August and therefore to form a unified administration for the regions of Bay, Bakool and Lower Shebelle. This is to be called the Interim South West Administration of Somalia. The two signatories agreed to form a technical committee of 13 members, each group contributing five members and the Federal Government three members, to draw up a roadmap for the creation of the Interim South West Administration within 10 days of the date of the signing of the agreement. The two sides agreed that the entire process of the formation of the Interim Administration should be finalized within 30 days.

The Federal Government undertook the responsibility to ensure fair representation of all constituencies in the Interim South West Administration. It agreed, in collaboration with regional partners and the international community, to ensure that there would be fair representation of all constituencies in Gedo, Lower and Middle Juba, in the institutions of the Interim Juba Administration. The Federal Government also agreed to facilitate further consultations between the Juba Interim Administration and the South West Administration. The Agreement calls upon the international community to closely follow the process and to support it, taking action when necessary against any who actively try to undermine the peace and the state building process.

President Hassan Sheikh Mohamud, together with Prime Minister Abdiweli Sheikh Ahmed and Speaker Mohamed Sheikh Osman Jawari, attended the ceremony as the Federal Government of Somalia is now the guarantor of the Agreement, with Ethiopia as a witness to the Agreement. The Prime Minister said it was "a great day for the future aspiration of the Somali people. It lays the groundwork for the establishment of federal states within Somalia." "This", he said, "will lead to stronger bonds, continuation of peace and strengthening security within the great nation of Somalia", adding "I am delighted that on this day we have set a **precedent** for the future of Somalia, for the future of peaceful state-building, reconciliation and stability." The Prime Minister described the Agreement as progressive, representing a positive step toward reconciliation and the establishment of a federal system in Somalia. "We will continue to encourage and support the agreement. This government is ready to take part in the finalization and implementation of this agreement, which will be a lasting solution to the conflict. The people of the region are brothers and sisters and must come together to establish an inclusive interim administration," said Prime Minister Ahmed.

A Puntland State Presidential Spokesman, Abdullahi Mohamed, said the Puntland Administration supported the new agreement which calls for the formation of a three-region state for the three regions of Bay, Bakool and Lower Shebelle, and said it would support and cooperate with any administration formed by the people it represented in any given part of the country.

UN Secretary-General, Ban ki-Moon welcomed the signing of an agreement to establish a new interim regional administration in south-western Somalia. He commended all the parties involved for their "diligent negotiation of this important agreement, and looked forward to its prompt implementation", a UN spokesman said. He added that the Secretary-General "recalls that the formation of inclusive regional administrations is a key milestone in Somalia's path towards a federal system of governance, in line with the Provisional Constitution and the aspirations of the Somali people." He also reiterated the commitment of the United Nations to supporting the Federal Government of Somalia's peace-building and state-building efforts.

The Special Representative of the UN Secretary-General for Somalia, Nicholas Kay, said he welcomed the Agreement to establish a new Interim South West Administration in accordance with Somalia's Provisional Constitution, adding "I congratulate all parties for their commitment to finding a solution through peaceful

dialogue and patient negotiation." Mr Kay urged all parties to continue to work closely with the Federal Government and ensure an inclusive administration is established swiftly. He also noted that the Federal Government should continue to consult community elders and local stakeholders to ensure **that residual** issues were addressed in an inclusive and conciliatory manner. He noted: "Today's agreement is a significant step forward in Somalia's progress towards federalism," and pledged the commitment of the United Nations to supporting the Federal Government's peace-building and state-building efforts, as well as to working with the new administration "within the context of the New Deal Somalia Compact." The Agreement would also clear the way for improving security and a more effective campaign against Al Shabaab, he noted.

The Special Representative of the Chairperson of the African Union Mission Commission for Somalia, Ambassador Mahamat Saleh Annadif said "this agreement is a watershed moment for the federalism process in Somalia. It is a display of the overwhelming will to build consensus on key issues that affect the Somali people today." Ambassador Annadif said: "I congratulate the Federal Government and the stakeholders but above all, I laud the patience and determination of the Somali people to reach a better future." AMISOM, he said, would continue to support the Federal Government and its institutions.

Somalia's Cabinet approved the agreement the next day, Wednesday, June 25, unanimously, describing it as part of the government's vision to encourage reconciliation among the Somali people. It noted that the Government would have a major role in the implementation of the agreement and in the completion of anything that is missing. The Council of Ministers also said that the Government was ready to engage people who were "not happy with the agreement" and would continue to work towards fostering understanding among the people of Somalia.

Eritrea's extortion of its Diaspora Tax continues despite sanctions

An Eritrean woman, now resident in Canada, recently gave an interview to a Canadian media outlet in which she detailed clandestine operations of the Eritrean regime in threatening to deny consular and other services requested **by Eritreans** and Eritreans of foreign origin [sic] in Canada unless they paid its Diaspora tax. The woman said she had been asked to pay an exorbitant sum by a person who claimed to be the agent of the ruling party in Eritrea, the People's Front for Democracy and Justice (PFDJ). Her testimony was one among many similar grievances aired by members of the Eritrean Diaspora who have been and still are subject to such unjust treatment in foreign countries. Earlier, details of similar stories were heard in **the** UK after an Eritrean managed to record a phone conversation in which officials demanded the tax in return for embassy services. There have been many other detailed reports of similar occasions from other countries.

What made the story of the Eritrean women in Canada particularly interesting is that Canada is one of the countries which have already taken tough measures to stop the Eritrean government extorting its 2% Diaspora Tax. In May last year, the Canadian Government took the bold measure of expelling the Eritrean Consul from Eritrea's Consulate in Toronto, following his refusal to stop collecting the Diaspora Tax despite repeated warnings from the Government of Canada. The testimony of the Eritrean woman who gave her interview to the Canadian Broadcasting Corporation, however demonstrated the determination of the Eritrean Government to continue to defy the sanctions that the United Nations Security Council imposed on it in 2009 and 2011, even to the point of transgressing the laws of sovereign states. It also showed that the way it has been trying to hide the collection of the tax from the scrutiny of officials in such countries. It might be added that there have also been reports that suggest Eritrean missions have been, and continue, to use diplomatic pouches to send the money collected in the form of the Diaspora tax back to Asmara, a clear violation of the Vienna Convention on Diplomatic Immunities.

In the past, the UN Monitoring Group on Somalia and Eritrea documented repeated cases of forced extortion of the 2% Diaspora Tax through various **Eritrean diplomatic missions** around the world. It provided evidence that the payments were often made under duress and intimidation, with threats of the denial of such services as passport renewal, refusal of entry visas to Eritrea to those who are **of** Eritrean origin, refusal to visit family members, or denials of opportunity to conduct any form of business in Eritrea. Eritreans living in various parts of the world have held numerous demonstrations demanding the cessation of this illegal tax collection.

Despite the pleas of its own citizens, the Government of Eritrea has continued to extort the tax from the Eritrean Diaspora through coercion using its missions abroad or, where it has no representation, through operatives of the ruling party. As the evidence shows, this is often conducted by contravening the laws of the host country and through opaque financial transactions to hide the origin of the funds raised. Methods

include making the tax non-traceable through denial of receipt of payments, using private accounts as well as clandestine money transfer systems, and abusing embassy or consular accounts **by** using them for illicit transfers.

Members of the Eritrean Diaspora who have continued to be subject to this process have underlined repeatedly that the way this Diaspora tax is extorted and collected is a clear violation of UN Security Council Resolution 2023 (2011) which clearly outlawed the collection of the Diaspora Tax. The resolution, adopted by 13 to none, with two abstentions, reinforced the sanctions previously imposed on Eritrea and demanded Eritrea cease all direct or indirect efforts to destabilize States, and decided that States should “undertake appropriate measures to promote the exercise of vigilance” in business dealings with the country’s mining sector.

The resolution condemned Eritrea's use of the “Diaspora tax” on the Eritrean Diaspora to destabilize the Horn of Africa region and to violate the sanctions regime, including the procurement of arms and related materiel for transfer to armed opposition groups. It called on Eritrea to cease those practices and further demanded that Eritrea should stop using extortion, threats of violence, fraud and other illicit means to collect taxes outside of Eritrea from its nationals or other individuals of Eritrean descent. It said that “States should undertake appropriate measures to hold accountable, consistent with international law, those individuals on their territory who are acting, officially or unofficially, on behalf of the Eritrean government or the PFDJ contrary to the prohibitions imposed in this paragraph and the laws of the States concerned, and calls upon States to take such action as may be appropriate, consistent with their domestic law and international relevant instruments, including the 1961 Vienna Convention on Diplomatic Relations and the 1963 Vienna Convention on Consular Relations, to prevent such individuals from facilitating further violations.”

Earlier, in December 2009, the UN Security Council passed resolution 1907 (2009). This resolution, called for by the African Union and other organizations, imposed an arms embargo, a travel ban on some individuals, and froze assets of some of the country's political and military officials as well as condemning the usage of the Diaspora tax for Eritrea’s activities of destabilization in the region through supporting and arming **Al-Shabaab** and other extremists in Somalia and for refusing to withdraw its troops from the border of Djibouti following its incursions into Djibouti in 2008.

In observance of their duty to enforce the sanctions imposed by the UN Security Council, the Governments of Germany, the UK and Canada requested **that** the Eritrean missions in their respective countries **comply** with UN resolution 2023 (2011) and stop the use of coercive efforts to collect the Diaspora Tax. The UK Government introduced new laws to enable it to enforce UN resolution 2023 (2011) while Canada went to the extent of expelling the Eritrean diplomat from Toronto when he refused to respond to warnings over his behavior.

The measures taken by the Canadian Government are important for two reasons. The first is associated with the very point of the UN Security Council resolutions 1907 (2009) and 2023 (2011). The reasons that necessitated imposing a ban on the collection was Eritrea’s own record of using the funds to support terrorists that **continue** to destabilize the region, and its use of coercion. The UN Monitoring body proved beyond doubt that Eritrea was channeling finance to Al-Shabaab through its missions in neighboring countries. The UN deplored the utilization of the Diaspora Tax **for** such ends by imposing sanctions twice within a period of three years. Enforcing the prohibition on collection of the tax goes to the very heart of the struggle in the Horn of Africa to eliminate the threat of terrorism. Enforcing the ban on the Diaspora tax will therefore play a major role, as it will help deny the Eritrean Government the means to finance terrorism and extremist activities in the region. Secondly, ending this extortion from the Eritrean Diaspora, which is in very clear defiance of international diplomatic protocols, will halt the unnecessary suffering of Eritreans and Eritreans of foreign descent, as well as **helping to** enforce sanctions. The recent interview on CBC provides a telling example of the extent to which the Eritrean Government is ready to go to continue defying sanctions. It underlines the need for a more vigilant and tight enforcement mechanism for UN Security Council resolution 2023 (2011) and the importance of UN member states continuing to enforce the sanctions regime as strictly as possible.

The NILE Council of Ministers meets in Khartoum

The 41st Nile-TAC (Technical Advisory Committee) and the 22nd annual Nile-COM (Council of Ministers) Meetings were held in Khartoum, Sudan, last week (June 16-19). The meeting was attended by Nile-TAC and Nile COM members from Burundi, Democratic Republic of Congo, **Egypt, Ethiopia**, Kenya, Rwanda, South Sudan, Sudan, Tanzania and Uganda.

The Republic of the Sudan assumed the chairmanship of both NILE-TAC and NILE-COM, taking over from the Republic of South Sudan. The meeting discussed the annual progress report of the Nile Basin Initiative (NBI) for the year 2013/2014 and the efforts made towards resource mobilization by the NBI management, which had approached different countries and international organizations. The 2014/15 work plan and budget was discussed and adopted. This was based on the NBI core functions and the Five-Year NBI Strategic Plan currently under implementation. The meeting approved a US\$ 7,250,768 budget for 2014/2015 fiscal year.

During their deliberations, participants reiterated their commitment to enhancing cooperation along the Nile Basin, agreeing that this was the only path to sustainable management of the Nile River Basin. This was especially the position in the face of shared risks and challenges such as climate change and environmental degradation. The meeting also reviewed and commended the progress achieved so far; and called upon Egypt to unfreeze its participation in the activities of the Nile Basin Initiative. Nile TAC members noted that the Comprehensive Framework Agreement (CFA) is about establishing the principles, the operational mechanisms and setting up a commission to facilitate and oversee a smooth, equitable and reasonable utilization, management and protection of the Nile waters. It has become indispensable.

Sudan's Minister of Water Resources and Electricity, Ambassador Muattaz Musa (the new chairman for NILE COM), in his opening remarks at the Council of Water Ministers, made a strong appeal to Egypt, stressing that its resumption in "the activities of the NBI will further consolidate the gains and integrity in the region." He said "I should like to place an appeal to our sister nation Egypt. Please, your seat is still empty," adding "Your resumption of your activities in NBI will further consolidate our gains and integrity in the region." Egypt sends representatives to NILE-COM meetings but has not participated in any other NBI programmes or bodies since 2010.

Nile-COM members expressed their strong support for the Comprehensive Framework Agreement on the Nile River and for the potential benefits from wider and all-inclusive cooperation. The Minister of Water for Tanzania, Professor Jumanne Maghembe, informed NILE-COM that his country has embarked on the process of the ratification of the CFA. Ethiopia's Minister of Water, Irrigation and Energy, Alemayehu Tegenu, underlined Ethiopia's readiness to fully cooperate with other states in the Nile Basin. NBI members agree its cooperative mechanisms have brought tangible benefits, including the cross-border power link between Sudan and Ethiopia, which came into operation in December.

While the representative of the Egyptian Water Ministry called for the need for a new agreement and another round of negotiations, all the other NILE-COM members emphasized the need to speed up the ratification of the Comprehensive Framework Agreement and the establishment of a permanent cooperative mechanism. Ethiopia and Rwanda have ratified the CFA, and Kenya and Tanzania and Uganda are in the process of doing so. The other signatory is Burundi, while South Sudan accedes in the agreement and is in the process of ratification.

The Nile-Council of Ministers (COM) appointed Mr John Rao Nyaoro of Kenya as the Executive Director of the NBI Secretariat, to succeed Engineer Teferra Beyene of Ethiopia. The Meeting concluded by electing Kenya as the next host nation for NILE-TAC and NILE-COM meetings.