A Week in the Horn 23.1.2015

News in Brief
President Erdogan of Turkey visits Ethiopia
Cabinet making in Somalia....
....while the UN Special Representative expresses optimism on Somalia's progress
Ethiopia and Japan hold a high level policy dialogue on industrial development
The Ethiopian Tourism Transformation Council meets
Pre- election preparations tfor Ethiopia's forthcoming national elections

News in Brief

#### **Africa and African Union**

The 24<sup>th</sup> Ordinary Session of the Assembly of the Heads of State and Government of the African Union is taking place in Addis Ababa from January 23 -31. The meeting of the Permanent Representatives Committee opened today (January 23) and ends on Saturday. The Ordinary Session of the Executive Council of the African Union, the meeting of Foreign Ministers, will be held on Monday and Tuesday (January 26-27), and the 24<sup>th</sup> Ordinary Session of the Assembly of the African Union, the meeting of the Heads of State and Government will be on Friday and Saturday (January 30-31). The theme of the Summit is "Year of Women Empowerment and Development Towards Agenda 2063".

A Meeting of the Water Ministers of the member countries of the Intergovernmental Authority Development (IGAD) was held in Addis Ababa on Wednesday (January 21) to discuss a draft policy for water resource utilization and administration in the region. The meeting was preceded by a technical committee meeting the previous day. Water Ministers from Djibouti, Ethiopia, Kenya, South Sudan, Sudan, Tanzania and Uganda attended.

### **Ethiopia**

President Dr. Mulatu Teshome has expressed his condolences to the Government and people of the Kingdom Saudi Arabia on the death of King Abdullah bin Abdulaziz. Prime Minister Hailemariam Dessalegn of Ethiopia this morning travelled to Riyadh to attend the funeral of the late King Abdullah bin Abdulaziz.. Condolences have also been sent by the Speaker of Parliament and Foreign Minister Dr. Tedros.

Turkey's President Recep Tayyip Erdogan arrived in Addis Ababa, on Wednesday (January 21) on the first stage of an official visit to countries in the Horn of Africa at the head of a delegation including Deputy Prime Minister Numan Kurtu and a delegation of officials and businessmen. The President held talks with President Dr. Mulatu Teshome and Prime Minister Hailemariam Desalegn as well as other officials. (**See article**)

President Mulatu Teshome met with a Qatari business group led by Sheikh Fahad Ahmed M T Al Thani on Friday (January 16). Sheikh Fahad Al Thani said he has plans to launch four investment projects worth some US\$500 million - a cement factory in Dire Dawa, a sugar factory

in Bahr Dar and an animal-fattening plant in Harar as well as an anti-malaria and cosmetics factory.

Prime Minister Hailemariam Desalegn has been invited by the President of Egypt to participate in an economic conference that will be held in March to support Egypt's economy. The invitation was delivered by Ms. Faiza Abou El-Naga, Egypt's National Security Advisor to the President of Egypt.

Dr. Tedros met with Mr. Myron A. Brilliant, Executive Vice-President and Head of International Affairs of the U.S Chamber of Commerce on Thursday (January 22) to discuss US-Ethiopia trade and investment links.

Dr. Tedros welcomed the new Ambassador of Indonesia to Ethiopia, Ambassador Imam Santoso, on Wednesday (January 21. They agreed that a Memorandum of Understanding for the Bilateral Consultation Forum should be signed shortly. Ambassador Santoso requested Ethiopia to open an embassy in Jakarta.

The World Bank Group, in its latest Poverty Assessment, says poverty levels in Ethiopia have fallen from 44% in 2000 to 33% in 2011, as a result of progress in the agriculture sector and investments in basic services as well as the furtherance of an effective safety net policy. This poverty reduction in people's living conditions had been accompanied by "high and consistent economic growth."

The Ministry of Foreign Affairs has declared August 16 (Nihase 10) as Ethiopian Diaspora Day, a day for the annual celebration of the Ethiopian Diaspora, and provide an opportunity for the Ethiopian Diaspora all over the world to connect with each other, with the people at home and give a chance for the young generation of Ethiopians abroad to experience the culture of their country. It will also offer the chance to assess and evaluate Diaspora activities and underline that the Diaspora is an extension of Ethiopia overseas.

### **Djibouti**

Turkey's President Recep Tayyip Erdogan arrived in Djibouti on Thursday (January 22) for a two day visit on the second leg of his Horn of Africa tour. He met with President Ismail Omar Guelleh and discussed several economic cooperation agreements to boost economic cooperation between the two countries.

### **Eritrea**

This month marks the eighth anniversary of the deposition and house arrest of the removal of Eritrean Orthodox Patriarch Abune Antonios from his position as head of the Eritrean Orthodox Church. The U.S. Commission on International Religious Freedom said on Tuesday (January 20) that Abune Antonios sufferes from severe diabetes and deteriorating health and had been denied medical assistance. The Commission calls on the Eritrean government "immediately to release Patriarch Antonios and the more than 2,000 people imprisoned for their religious beliefs."

The IOM is providing transportation to move new Eritrean refugees from the Endabaguna screening center to the four camps in Tigray Regional State set up by Ethiopia's Administration for Refugee and Returnee Affairs (ARRA) and the UNHCR. In the last quarter of 2014, the number of Eritrean refugees arriving in Ethiopia rose sharply to an average of 5,000 a month.

# Kenya

Egypt's Foreign Minister, Sameh Shoukry, and Minister of Trade and Industry, Mounir Abdelnour, were in Nairobi last week to set up a Kenyan Egyptian Business Council, a business forum intended to strengthen business links and trade opportunities. Ms. Amina Mohamed, Kenya's Cabinet Secretary for Foreign Affairs, said that Kenya wanted to encourage Egyptian businesses "to venture into our country, take advantage of our vibrant economy and reap handsome returns."

### Somalia

A joint statement issued on Friday (January 23) by the UN, IGAD, the EU, AMISOM, the US and the UK, voiced concern over delays in the resolution of the political crisis, called on the President, Prime Minister and Federal Parliament 'to unite for the greater good of the country,' and warned that further delays could jeopardize progress towards building peace and security. It noted that "September 2016 remains the constitutional deadline for conducting free and fair elections."

Somali Prime Minister, Omar Abdirashid Ali Sharmarke, wrote to the Speaker of the Parliament, Mohamed Osman Jawari, on Saturday (January 17) withdrawing the nominations for the 60-person government he had announced earlier in the week. He withdrew the names just before Parliament debated the list, and asked for another 14 days to form a "competent and inclusive" government. (See article)

The Somali Minister of Foreign Affairs and Investment Dr. Abdirahman Dualeh Beileh arrived in Oman's capital Muscat on Sunday (January 18) to hold bilateral talks with Oman's Minister of Foreign Affairs, Yusuf bin Alawi bin Abdullah.

Puntland President Abdiweli Mohamed Ali Gaas, officially launching the first conference on climate change in Somalia at the beginning of the week, said climate change in Somalia has led to natural resources disasters, food scarcity, health hazards, and massive environmental stress. Officials from the Somali Federal Government and UN representatives attended the meeting in Garowe.

The Special Representative of the Chairperson of the African Union Commission for Somalia (SRCC) and Head of AMISOM, Ambassador Maman S. Sidikou, has strongly condemned the suicide car bomb attack on the SYL Hotel in Mogadishu on Thursday (January 22).

Following the death of the Afgoye District Commissioner on Monday (January 19), government forces conducted a security crackdown in all districts of Benadir region, making a number of

arrests, including five people allegedly caught preparing explosives, said the Ministry of National Security

#### South Sudan

President Kiir and Dr. Machar have accepted an IGAD Special Envoy's request to meet in Addis Ababa in January 27-28 to "make a serious effort to negotiate and agree the outstanding issues." The Chief Negotiators of both parties will meet a day earlier to formulate an agenda. The IGAD Mediation says the meeting is intended to provide opportunity for the Parties to reach an agreement on the major issues ahead of the IGAD Extraordinary Summit on South Sudan which will take place on Thursday next week (January 29).

The rival factions of South Sudan's ruling Sudan People's Liberation Movement (SPLM) signed an agreement in Arusha, in Tanzania, on Wednesday (January 21) aimed at "reunifying and reconciling" the three factions of the ruling South Sudan People's Liberation Movement (SPLM). President Salva Kiir, former Vice-President Riek Machar and Deng Alor Kuol, head of a delegation of former political detainees, signed the agreement which calls for consultations on the "structure of the leadership of the reunified SPLM," and recognizes the need for a transitional government in which the SPLM groups and other political parties will "participate proportionally in order to end the war and establish sustainable peace."

#### Sudan

President Omer Hassan al-Bashir has challenged opposition parties to participate in the Sudanese elections scheduled for April 2015. President al-Bashir pledged that elections will be free, fair and transparent and said to the opposition parties "."I dare you participate in the elections." The President said he would allow opposition forces to hold public rallies to lay out their programs in order to allow the Sudanese people to choose their representatives.

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## President Erdogan of Turkey visits Ethiopia

President Recep Tayyip Erdogan arrived in Addis Ababa on Wednesday (January 21) accompanied by First Lady, Emine and daughter, Summeye Erdogan, as well as a delegation including Deputy Prime Minister, Numan Kurtuand, Minister of Economy, Nihat Zeybekçi, and other Ministers and officials as well as representatives of more than eighty Turkish companies. Ethiopia was the first stop on President Erdogan's tour of the Horn of Africa. He went on to Djibouti and then to Somalia on Friday. The President was welcomed at Bole International Airport by Prime Minister Hailemariam, Foreign Minister Dr Tedros Adhanom and other officials. The visit of the President followed less than a month after the successful conclusion of the 2<sup>nd</sup> Ethio-Turkey Business Forum held with more than 200 Turkish business representatives and Minister Nihat Zeybekçi.

On Thursday, the two sides held a high level meeting at the National Palace, co-chaired by Prime Minister Hailemariam and President Erdogan, to discuss bilateral, regional and global issues of common interest. Opening the meeting, Prime Minister Hailemariam said "we are very much encouraged by increasing engagement of Turkish investment in Ethiopia's priority areas of investment." He noted that the volume of trade between the two countries had shown fourfold growth. Citing the US\$300 million Turkish finance for the Weldiya-Awash railway project, the Prime Minister said Turkish investment on infrastructure had shown a promising start, adding that there was a need for broad and continued support to Ethiopia's massive infrastructure endeavors. He said the visit as offered an opportune moment to attract further Turkish investment to Ethiopia. Prime Minister Hailemariam said Ethiopia was keen to see increased Turkish investment in textiles, garment production, footwear and other labor-intensive lightmanufacturing sectors, in which, he stressed Ethiopia offered significant comparative advantages. He also raised the vast potential of energy generation for Turkish investment and the possibilities of investment in agricultural. He said "Turkey's vast experience and modern agricultural technology can be used to exploit the untapped agricultural potential of Ethiopia."

On regional issues, the Prime Minister hailed Turkey's engagement in the efforts to build peace and stability in the Horn of Africa in general and in the reconstruction of Somalia in particular. He underlined Ethiopia's commitment to work with Turkey on regional peace and security, explaining the work of Ethiopian forces in AMISOM in dislodging Al-Shabaab from 60% of areas it used to control. Thanking Turkey for its work in reconstruction and building projects in Somalia, he also emphasized the need to focus on smaller projects aimed at providing social services in areas freed from the control of Al-Shabaab.

President Erdogan referred to the ancient and longstanding relationship of Turkey and Ethiopia, noting the early contacts and the Ottoman Turkish presence in Harar. He mentioned Ethiopia's special place in Islam in connection with the first Hijra, when the Ethiopian Emperor Nejashi gave refugee to followers of the Prophet and saved them from persecution. He said Ethiopia's "culture of tolerance shows what humanity shall stand for," and underlined the need to work on their deep cultural and historic ties. Both sides agreed to work to make the Nejashi mosque a top tourist destination. President Erdogan spoke of Turkey's desire to increase exchange programs and scholarships as well as its wish to open up the study of 'Torkology', of Turkish language and art, in Ethiopia. Speaking on their growing bilateral relations, he paid tribute to the late Prime Minister Meles for laying down the strong foundation for their relationship. He said further strengthening of this required strong political solidarity between Ethiopia and Turkey: "as Ethiopia is strategically located and an active player in the continent, it is becoming a beacon of peace and stability within the region." Turkey, he said, "wants to join forces on all matters of mutual interest".

The President stressed that the growth trajectories of Ethiopia and Turkey were making them rising stars within the sub-region; and he hailed the tremendous leap in trade between the two countries. This had been a mere US\$27 million earlier and by the end of 2013 had risen to US\$421 million. He stressed the need to explore every possible avenue to raise this to half a billion dollars. He said Turkey was encouraging its investors to engage heavily in textile, garment production and the manufacturing of construction materials, using trade fairs and other means. He spoke of the efforts made by the Foreign Economic Relations Board (DEIK) in

expanding Turkish investment abroad. DEIK, he said included a huge number of entrepreneurs and was fully dedicated to exploring investment opportunities in Ethiopia and other developing economies. The President noted that all trade and business matters should be conducted through DIEC and the use of any other parallel institutions should be avoided.

Speaking of wider issues, President Erdogan highlighted the opportunity that Turkey's Presidency of the G-20 offered for encouraging a greater role for developing countries in the international financial architecture to ensure sustainability of their development. He said that as the 2015 president of the G-20, Turkey will use Ethiopia as an example of infrastructure development under the three pillars of implementation, inclusiveness and investment. President Erdogan underlined that Turkey's approach of partnership with Africa is under-written by a strong sense of win-win and reciprocal benefit. He said Turkey did not look for partnership with Africa solely on the basis of commercial interests, but it was rather out of its recognition of the continent's dynamic potential for growth. The President also raised the importance of joining hands in the global battle against the scourge of terrorism. He mentioned Turkey's role as Chair of the Anti-Terrorism Global Initiative, appreciated Ethiopia's active role in fighting terrorism and called for enhanced cooperation on the issue.

In the subsequent discussion, Prime Minister Hailemariam affirmed Ethiopia's desire to work with Turkey in fighting terrorism within the Anti Terrorism global initiative. He expressed Ethiopia's desire to participate in the next meeting of the Initiative in Kampala. The Prime Minister noted that trade, investment and other contacts had previously been with institutions approved by the Government of Turkey, and said same principle would be applied in the future. Ethiopia, he said, would work closely with DIEC to encourage trade and investment. He emphasized that the Ethiopian Investment Commission would cater to the needs of Turkish investors in the course of investing in Ethiopia, and said the government would work on guarantees for power purchases for Turkish investors generating energy in Ethiopia. The two sides agreed to discuss a Free Trade Agreement (FTA) between Ethiopia and Turkey within the process of Ethiopia's accession to World Trade Organization. They also agreed to discuss work on capacity building on the basis of a defense framework agreement signed between the two countries. Ms. Demitu Hambisa, Minister of Science and Technology and her Turkish counterpart, Fikir Ayshak, signed an agreement on science and technology.

Following the high level meeting, the Ethio-Turkey Business Forum was held in the Sheraton Addis Ababa for Turkish and Ethiopian investors. Solomon Afework, President of the Ethiopian Chamber of Commerce and Sectoral Associations, on Thursday (January 22) said over the previous year the visit made by First Lady, Roman Tesfaye, and leading Ethiopian business men and women, and the holding of the second Ethio-Turkey Business Forum were clear manifestations of strong ties between the two countries. Mr. Omer Chihad Vardan, Chair of Foreign and Economic Board of Turkey (DIEC) told the Forum that since 2003 the volume of trade between Ethiopia and Turkey had grown seven fold. He said during the same period the number of Turkish companies active in Ethiopia grew from one to thirty eight. They had created thirty two thousand jobs. Mr. Vardan said that, with their investment totaling three billion dollars, Turkish companies were the biggest private sector hirers in the country. Ethiopia had become the headquarters of Turkish investment in Africa. He expressed his hope that more jobs would be created through free trade agreements and the involvement of Turkish banks.

Ato Fitsum Arega, Director-General of the Ethiopian Investment Commission, made a presentation on investment opportunities and polices, underlining Ethiopia's low labor costs as a real incentive for Turkish investment in textile and garment production. He also drew attention to Ethiopia's population of around 90 million and the importance of its domestic market which is being further expanded through growing integration of the region. He mentioned the potential for manufacturing of construction materials as another possible area for Turkish business, pointing out that Ethiopia currently relied on import of products such as ceramics and paints. He also detailed the support provided by specialized Ethiopian institutes for investors investing in the leather and textile sectors. Ato Fitsum mentioned the one-stop-shop service, full repatriation of profits and investment guarantees provided by the Ethiopian government and international bodies, the opportunities offered by the new industrial zones and above all Ethiopia's decade of double-digit economic growth. These, he said, were compelling reasons to invest in Ethiopia. He also discussed the opportunities available in Ethiopia's energy sector, citing the power connection projects with Djibouti, Sudan and other neighboring countries.

Niyat Zeybekçi, Minister of Economy of Turkey, emphasized the importance of conducting frequent fora to give new impetus to the growing ties between Ethiopia and Turkey. He said a similar forum is planned for Istanbul within the next two months. He also welcomed the Ethiopian government's commitment to remove impediments to Turkish investors involving the exchange rate, taxation and other bureaucratic hurdles. President Erdogan and Prime Minister Hailemariam also addressed the Forum. Prime Minister Hailemariam who welcomed Turkish engagement with Africa, pointing out that the continent was now a net growth pole, recognized Turkish investors as key partners in the implementation of Ethiopia's Growth and Transformation Plan. He further underlined that Ethiopia was witnessing unprecedented economic growth, pursuing a pragmatic and transformative policy aimed at making industry the leading element in the economy while maintaining the significant place of the agricultural sector.

Prime Minister Erdogan in his statement repeatedly urged Turkish investors to invest in the textile, garment, energy and manufacturing in Ethiopia. He noted that the Turkish involvement in the Awash-Weldiya railway project paved the way for greater involvement in the sector. He also noted the availability of land in Ethiopia and said Turkish businesses could take advantage of this through integrated projects involving cultivation of cotton and animal fattening projects. He emphasized Turkey's desire to see a free trade area with Africa in the same way as it had with European countries to advance economic integration. Turkey was the seventeenth largest economy in the world, with exports now worth US\$158 billion and there was great potential for partnership based on its cherished win-win principles. He said Turkey gave immense importance for reciprocity and a humane approach in its dealings with Africa, as was evident in its focus on technology transfer; and he emphasized the central place Ethiopia holds in Turkey's partnership with Africa. The impressive development was a witness to the opportunity to continue to strengthen ties.

During his visit, President Erdogan also received an honorary Doctorate from Addis Ababa University. The award was bestowed on the President for his contribution to assist vulnerable people to achieve democracy and freedom and for his firm stance on Africa issues Dr. Admasu Tsegaye, President of Addis Ababa University, said President Erdogan had played significant

role in fighting terrorism, in hosting Syrian refugees and reconstruction of Somalia. He also added that the President had helped Turkish investors to come to Ethiopia, creating jobs and encouraging transfer of technology. President Erdogan, expressing his pleasure at the award, said, he would work towards strengthening the age-old links between the two countries dating back to 16<sup>th</sup> century. He said his government would continue to offer scholarships to Ethiopian students to strengthen the people-to-people ties. 181 Ethiopian students are currently studying in Turkey.

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## Cabinet making in Somalia....

Somali Prime Minister, Omar Abdirashid Ali Sharmake, on Saturday (January 17), withdrew his proposed 60-person government team of ministers, deputy ministers and ministers of state. The Prime Minister had announced the names earlier last week, and they had received the support of President Hassan Sheikh Mohamud. The appointments were due to be discussed and confirmed by Parliament on Saturday morning, but during the week it became clear that opposition to some names on the list was growing, in particular to those who had been ministers in the previous government of Prime Minister Abdiweli Sheikh Ahmed. A growing number of MPs publicly announced they would reject the cabinet appointees, accusing former ministers of incompetence.

As it became clear that the nominations faced rejection, the Prime Minister wrote to the Speaker of the Parliament, Mohamed Osman Jawari, withdrawing his list and asking Parliament to give him an extra 14 days to form "a competent and inclusive" government. According to the Speaker, an overwhelming number of MPs quickly agreed to the request, with 190 voting to do so and only 10 opposing, despite 49 of the names on the list being MPs.

In his letter, the Prime Minister said he appreciated: "the continued support of the Federal Parliament to my administration in our endeavor to deliver critical services to the Somali people and to accomplish the key tasks ahead of us". He acknowledged the need to build a consensus in his efforts to establish a national unity government tasked with achieving the Vision 2016 agenda." He said he had decided to retract his cabinet nominees after careful consideration of the "feelings and emotions" of opposing lawmakers. Asking for an additional 14 days to select a more inclusive cabinet, he said: "I will nominate a cabinet that will be acceptable to this parliament and representative of the will of the people of Somalia" and would consider "the diverse opinions of the lawmakers in order to present them a cabinet that can earn the confidence of the parliament."

The decision was welcomed by MPs who said the next time the Prime Minister "must form a government that can receive the confidence of the people and the parliament of Somalia." MPs said they expected the cabinet nominees "to be well qualified and worthy of their positions", and "not be selected based on nepotism." There were also demands for "a government that is inclusive and able to take the nation forward, and that can only be achieved if there is a government representative of the various political views that exist in Somalia." The criticisms reflected concern over the size of the government, the fact that some appointees had been among

the President's closest allies in the previous cabinet and what many MPs regarded as a lack of inclusivity.

This week, the Somali Women Diaspora Community took the opportunity to write to the President, the Speaker and the Prime minister to point out that last week's list had contained only 5 women (8%). The Community urged the Somali Government to recognize the political participation of Somali women. It said it should "be recognized that women have been playing a vital and active role in the initial dialogue and reconciliation amongst various communities; it therefore called for "a 30% representation for women to be respected in all future elections and to be included in the constitution as a policy." The letter went on draw attention to the United Nations Security Council Resolution 1325 on Women, Peace and Security October 2000 which called for the right of women to be involved and engaged in peace and security processes and to the New Deal Somali Peace and State Building Goals Priorities and Principles which stipulate that Somali Federal Government must contribute in enhancing the role that women play in the political arena. It also said the government should "recognize that women in Somalia are an important agency in political stabilization and the ongoing peace process of the country in this alone their voice needs to be included in the local and regional stabilization processes". The Somali Women Diaspora Community, therefore, appealed for "an inclusive political process that recognizes women's active contribution in the peace building, stabilization activities and the political representation of the country" adding that "should be part of the strategy to ensure the realization of women's social, cultural, civil and political rights."

The controversy over the cabinet should not impede efforts to implement the draft Federal Constitution, between the central authority and the proposed federal states. It is also complicated y the numerous clan militias operating across the country and the process of building a Somali National Army, which the Government has, quite rightly, emphasized strongly as a key factor in state building and establishing effective security. This indeed has yet to be created despite the best efforts of AMISOM and the SNA though considerable progress has been made. These problems underline the overall necessity for an inclusive government, a broad-based political consensus in which a workable relationship can be established between the central government and the federal/regional administrations. This has so far eluded the best efforts of the Government.

Prime Minister Sharmarke's task in choosing a new cabinet has been made harder by the events of last week. The new government will face the task of implementing Vision 2016 and time is fast running out. It will have to urgently complete the formations of several Commissions, already seriously delayed; finish the comprehensive revision of the draft constitution, some of whose problems have been sharply underlined in recent weeks; establish a constitutional court; complete the process of federation of the states, several of which have yet to be set up; implement the population survey necessary for the national referendum on the constitution and a one-person one-vote election.

More immediately, Prime Minister Sharmarke needs to bring together the opposing groups within the Parliament, and this involves reaching an accommodation over the appointments to the cabinet that sparked off so much opposition, and producing a cabinet which, as he said to

Parliament last weekend, should be inclusive, acceptable to Parliament, earn its confidence and represent the will of the people of Somalia.

## ....while the UN Special Representative expresses optimism on Somalia's progress

Nicholas Kay, the Special Representative of the UN Secretary-General to Somalia, has expressed some optimism over progress in Somalia. In an article for Al Jazeera, he looks back on 2014 and forward to 2015, noting that Somalia is succeeding in recovering from decades of internal conflict. From a failed state, he says, it is now a fragile state on the path to stability and eventual prosperity. He does not minimize the challenges but he says despite these Somalia made impressive strides in 2014 with Somalis leading the process. Equally, he says "much of this could not have been achieved without a strong international partnership." He acknowledges the enormous contribution and the sacrifices made by the African Union and AMISOM. He notes the support provided by the EU and by others including the US, Turkey and the UAE. He also elaborates on the work of the United Nations, the largest international entity in Somalia. It has on average 450 international staff and 1,000 Somali staff in the country, providing "vital political, logistical, humanitarian and development support nationwide."

The SRSG acknowledges that Somalia is a hard place to work in and that its needs are enormous, but, he says, the UN can be proud of its contribution, and its work in improving the lives of millions of Somalis. More than a million Somalis receive life-saving food and livelihood support; including 180,000 severely malnourished children under the age of five. It distributed 2.8 million vaccine doses last year, to immunize children against polio and measles. 40,000 children were able to attend school for the first time ever. Some 24 million livestock were also vaccinated or given veterinary care. During the year 17,000 national army and police registered for a new biometrical payment system; short-term employment was created for over 400,000 men and women altogether; 300 members of the Somali Diaspora were employed in senior, technical positions; and 500 refugees were voluntarily resettled in Somalia from Kenya.

Mr. Kay underlines that Somalia's development and future depends upon security. The UN, of course, supports the 22,126 troops and police of AMISOM, the world's largest mandated peace operation, logistically through UN Support Office for AMISOM (UNSOA). It also now gives logistic support to nearly 8,000 Somali National Army forces. This has helped the Federal Government and AMISOM to recover nearly 20 towns and strategic locations from Al-Shabaab, "the most dramatic expansion of state authority in Somalia for decades". Indeed, Mr. Kay says, 2014 saw "the balance tipped decisively against Al-Shabaab and in favor of eventual peace firmly rooted in a culture of rule of law."

Mr. Kay also notes the progress towards Somalia becoming a strong, united federal state with the Provisional Federal Constitution setting out an ambitious agenda for creating federal member states, agreeing to a new constitution and democratizing the country. Progress, he says, may be behind schedule, but such transformations cannot be engineered from the outside, and they cannot be achieved overnight. The UN, he said, had lent significant political and technical support to the process, including the emerging Interim South West Administration.

Looking forward into 2015, Mr. Kay describes Prime Minister Omar Abdirashid Ali Sharmarke's list of things to do as "daunting". Somalia, he points out, still needs to complete its ambitious task of political engineering and recreate itself as a federal state with powers, revenues and resources shared between the centre and the emerging federal member states. The government, he says, in partnership with the international community, must strengthen Somali institutions and systems for financial accountability and restore public confidence. 2015, he said, must be "the Year of Delivery for the New Deal Somali Compact" In other words, programs to build peace and the state must be coordinated, funded and launched. Somalis, he says, will judge the Government when its term expires in September 2016 "according to whether it has delivered benefits for them in their daily lives, whether it has improved security, justice, schools, healthcare and jobs." The UN will also be held accountable then too, as it is the linchpin for AMISOM and Somali peace operations and as the most present international organization in Somalia.

Mr. Kay concludes by emphasizing that he is determined that the UN in 2015 will hold its nerve, "expand our presence and continue to help Somalis wake gently from their two decade-long nightmare."

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## Ethiopia and Japan hold a high level policy dialogue on industrial development

The Seventh High Level Forum for Phase II of the Policy Dialogue of Industrial Development in Ethiopia was held in Addis Ababa last week (January 12-17). The Forum is part of the continuation of the Policy Dialogue and a showcase of the growing relationship between Ethiopia and Japan. At the Forum, participants exchanged views on two major themes: the positioning of productivity and competitiveness in the next Growth and Transformation Plan; and the direction of industrial development and the development of industrial parks and ways to attract Japanese companies to Ethiopia.

During his last visit to Ethiopia, a year ago, Japanese Prime Minister, Shinzo Abe, expressed his desire to support Ethiopia's development efforts through an Industrial Policy Dialogue. He also pledged to fulfill all the commitments that Japan had made at the fifth Tokyo International Conference on International Development (TICAD). As emphasized in a joint Communiqué issued on his visit January 13-14 last year, the Policy Dialogue would be a key towards helping Ethiopia achieve the targets of the Growth and Transformation Plan (GTP). Prime Minister Hailemariam stressed on Ethiopia's determination to speed up its economic growth as projected by the GTP and emphasized that Policy Dialogue would give impetus to industrial transformation through inspiring increased product quality, trade capacity and exports from the industrial sector.

The latest session of the Policy Dialogue was conducted as a technical assistance project by the Japan International Cooperation Agency (JICA) in coordination with the Ethiopian Development Research Institute. It was closely coordinated with the KAIZEN initiative that Ethiopia is implementing across the country with the assistance of Japan. A presentation from Ato Mekonnen Manyazewal, National Planning Commissioner and Ato Getahun Tadesse, Director

General of the Ethiopian KAIZEN Institute, emphasized the way the KAIZEN movement in Ethiopia would increase quality, productivity, competitiveness and technology development in the second phase of the GTP.

State Minister of Industry, Dr. Mebrhatu Melese, made a presentation on the industrial development chapter of the Growth and Transformation 2, which should be finalized this year. GTP 2 will project 22% annual average manufacturing growth. It also anticipates the sector will take 12% of GDP by the year 2017. Dr. Mebrhatu said the annual average industry growth rate will be 20% by 2017 and that industry will achieve a 22% share of GDP by then. Industry was targeted to reach annual exports of US\$4.5 Billion by creating one million new jobs in the sector by 2017. The state minister said the basic direction for achieving these targets was to put emphasis on transforming the manufacturing sector by making sure it attracted more quality FDI and local investment than other sectors, encourage it to become export led and labor intensive with a focus on light manufacturing. Major trends would include creating linkages between light manufacturing industry and chemical, engineering and other high tech-industries, gradually laying down the foundations for heavy and high tech industries. Dr. Mebrhatu said products identified for import substitution and for export of up to 20% of production would include household and office appliances, fertilizers and chemicals, iron and steel, pulp and paper, construction inputs, packaging and bottling, rubber and related products.

Professors Izumi Ohno and Kenichi Ohno delivered presentations on industrial zone development drawing on key issues from the experience of Japanese industrial zone developers in Vietnam and Thailand. At the request of the late Prime Minister Meles, the two Professors, both from the National Graduate Institute for Policy Studies in Japan, have led the Policy Dialogue since June 2009. It was their research presentation on the East Asian model of industrialization approach that led Prime Minister Meles to request Japan to provide intellectual support to Ethiopia through holding a Policy Dialogue on Industrial Development. Since then, under the Policy Dialogue they frequently met with Prime Minister Meles and with Prime Minister Hailemariam. Mr. Tour Homma, Senior Advisor on Private Sector Development at the Japan International Cooperation Agency also presented on the experiences of Japan and Myanmar in the garment sector and the way how cutting, making and packing was done in those countries and the implications for Ethiopia. The National Graduate Institute for Policy Studies and the Japan International Cooperation Agency have supported Ethiopia in policy planning as well as participated in KAIZEN development in Ethiopia.

At the High Level Forum (January 14), participants including Dr. Newaye Gebreab, Economic Advisor to the Prime Minister with the rank of Minister and head of the Ethiopian Development Research Institute; Ahmed Abitew, Minister of Industry; Tolesa Shagi, Minister of Mines; Tadesse Haile, State Minister of Industry; Getachew Adem, Deputy Commissioner of the National Planning Commission, and other relevant officials from economic development-related ministries and commissions exchanged views on the themes of the Forum. At a meeting with Prime Minister Hailemariam (January 14), the Japanese participants extended the discussion on these major themes on the basis of the Forum's results.

The bilateral relationship between Japan and Ethiopia has developed even more significantly since Prime Minister Abe's visit in January 2014. That was followed by the visit of a large

Japanese Public and Private Joint Business Delegation to Ethiopia to promote investment and trade. Taking recent developments in Ethiopia into account, Japan's ODA allocation will now prioritize the most important areas of the GTP. Prime Minister Abe on his last visit emphasized the continuation of cooperation between the two countries with the establishment of the TICAD Human Resource Development Center for Business and Industry in Addis Ababa and by strengthening the Ethiopia KAIZEN Institute as the first such center in Africa. The Center will play a catalytic role in promoting human resource development not only for Ethiopia but for the industrial sector in Africa.

Japan recently decided to review its ODA Charter for the first time in eleven years and formulate a "Development Cooperation Charter". It aims for ODA to meet the needs of the current era in which the world is changing on a large scale, and where there are new roles for ODA to play in "Investment in the Future". It will intensify ODA both in quality and volume, and the new "Development Cooperation Charter" will serve as a compass indicating the direction in which the development cooperation of Japan.

Ethiopia and Japan have enjoyed long friendly relations dating back to the 1930s. Both are nations with an ancient history and civilization. Emperor Haile Selassie was strongly attracted to the harmony that Japan achieved as it modernized, successfully cherishing its traditional culture. Japanese representatives attended Haile Selassie's Coronation in 1930, and Japan subsequently signed a Treaty of Friendship and Commerce with Ethiopia. Both Emperor Haile Selassie and the then Foreign Minister, Hiruy Woldeselassie, admired the Japanese developmental model and the country's rapid evolution. Foreign Minister Hiruy visited Japan in late 1931 in pursuit of commercial and political ties as well as military aid and while there visited many of Japan's most important industrial and military facilities. His visit was a mark of deep cooperation between the two countries. Emperor Haile Selassie inspired the Meiji Constitution as a part of modernization efforts of Ethiopia in 1931 and sent a group of government officials and intellectuals to Japan to study different aspects of Japan as a development model. The writer and thinker, Kebede Mikael, wrote a book entitled "How did Japan modernize?" long used for reference in Ethiopian schools. The relationship stagnated during the Derg era and was limited to that of a donor and recipient for much of that period. The Derg, indeed, confiscated and nationalized a number of Japanese companies which had been involved in joint ventures with Ethiopian companies in the 1960s and 70s and Japan and Ethiopia went in different development directions in the 1970s and 1980s. Fortunately, the change of regime in 1991 and more recently Ethiopia's surge in economic growth and development, has given a chance to both countries to recast their relations on a mutually beneficial footing. Ethiopia is now positioned to learn from Japan's experiences to help realize its development strategy.

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# The Ethiopian Tourism Transformation Council meets

Ethiopia has more UNESCO registered tourist attraction sites than any other African country though there is still a clear need to develop the sector to a greater extent. Last year, Ethiopia had just over half a million tourists and the industry contributed 12.3% of GDP. Tourism is a leading foreign exchange earner and a key sector for both domestic and foreign investment as well as

being one of the leading employers, generating over 2.4 million jobs directly and indirectly. With its wealth of potential, however, there is agreement that much more could be done to develop the sector. The Government is well aware of this. In the last year, with the creation of the Ethiopian Tourism Transformation Council and the Ethiopian Tourism Organization, it has been making real efforts to harness this potential and transform the sector and enable it to generate increased returns, more jobs and help the country's economic and social development.

In August 2013, the Council of Ministers passed the necessary regulations to set up the Ethiopian Tourism Transformation Council and the Ethiopian Tourism Organization as bodies to be responsible for the tourism sector. The Tourism Council which is chaired by the Prime Minister has a membership of 68, made up of ministers, regional leaders and members of the tourism bureaus of each regional state and representatives of Ethiopian Airlines, Ethiopian Chamber of Commerce and Sectoral Associations, hotels and restaurants as well as others from the sector. It has been given the aim of producing the vision to expand and transform the tourism sector and the authority to provide leadership and direction to produce this.

The Tourism Transformation Council held its first assembly at the African Union's Conference Hall in March last year, ten months ago and Prime Minister Hailemariam expressed his hope that the establishment of the Council will help make the country one of the top tourist destinations in Africa. Tourism was identified as one of the key drivers of development and given priority emphasis in the first Growth and Transformation Plan (GTP) 2010/11-2014/15. It is being similarly defined in the 2<sup>nd</sup> GTP, now being drawn up, with greater emphasis being placed on efforts to include the private sector. A Sustainable Tourism Master Plan (STMP) is also being formulated in collaboration with different stakeholders. Technical support will be provided by the Sub-Regional Office for Eastern Africa (SRO-EA) and the division for Regional Integration and Trade (RITD) of the United Nations in partnership with the Ministry of Culture and Tourism. Regional consultative meetings have been held in Mekele and Dire Dawa. The STMP is being drawn up on the basis of extensive field missions, in-depth interviews with stakeholders including public and private institutions, and consultations with civil society and international organizations, regional government officials and representatives from other sectors. The aim is to provide realistic development of the tourism 'product' and the marketing of the country. Ethiopia will also benefit from efforts to launch transformation of the tourism sector more widely. The concept is not confined to Ethiopia. It has also been given the highest priority in the IGAD region as a whole and IGAD launched its Sustainable Tourism Master Plan for the IGAD Region 2013 – 2023 in December 2013. It is now under implementation. .

The Ethiopian Tourism Transformation Council held its second assembly on Thursday last week (January 15) at the office of the Prime Minister who emphasized the primary values and issues that needed to enhance to boost the tourism sector. He said institutional and attitudinal changes were vital to transform the sector. He stressed the importance of every stakeholder transforming him/herself in order to transform the sector, for it to grow, expand and generate more income. For this to happen, he emphasized the importance of setting up a think tank to concentrate on transforming the nation's tourism opportunities to benefit the economy. The Prime Minister noted further that "tourism development should also be advantageous for the community so that it will discharge its responsibility of taking care of nearby tourism sites." The Culture and

Tourism Minister, Amin Abdulkadir, said the Ministry was utilizing national icons including scientists, musicians and other prominent people to promote tourist destinations.

In the following discussion, it was agreed that tourism should aim to keep up with the country's developments in other areas such as manufacturing and agriculture. Council members emphasized that the vast untapped cultural, historic and natural potential of the country should be promoted to attract tourists from different parts of the world. There was consensus on the need to build better infrastructures in tourist destinations the regional states. This should be a priority. The active role other Ministerial offices needed to adopt to mobilize investors for the sector was underlined. The meeting also highlighted the need for training of personnel for the hotel industry and for tour operations at both federal and regional levels, and the need for Technical and Vocational Education Training (TVET) Institutes and higher education colleges to include tourism in their curricula and further studies. Members strongly emphasized the importance of not compromising on the quality of hotels to be constructed in tourist destinations. They added that follow-up mechanisms to ensure hotel quality and standards should be put in place. The discussion also noted the importance of establishing taxi services in tourist areas and the government's readiness to support those engaged in this and other elements of the tourist sector.

When the Ethiopian Tourism Organization was officially launched in July last year, the Chairman of Ethiopian Tourism Organization said the mandate of the new organization included: fostering competitiveness and sustainability of tourism destinations and products; marketing Ethiopia as tourism destination, leading to a coordinated effort to position Ethiopia in the international travel market; promoting domestic tourism; ensuring collaboration and alignment of public and private organizations involved in tourism development on the basis of a shared strategy. On the same occasion, UNDP Resident Representative, Eugene Owusu, said that while the current state of Ethiopian tourism sector by no means reflected a lack of commitment and policy direction, the Growth and Transformation Plan clearly reflected the huge potential. It had set ambitious targets for the tourism sector, including a doubling in tourism arrivals from the current 500,000 or so to 1 million; and a twelve-fold increase in tourists' expenditures, from US\$250 million in 2010 to US\$3 billion by 2015. Mr. Owusu said the Ethiopian Tourism Organisation, its secretariat and its implementing entities now being launched were "going to be central to designing strategies and innovative programmes towards realizing the vision of making Ethiopia a tourism hotspot in Africa."

Progress is already being made. Rough Guides, a leading travel guidebook and reference publisher, presented Ethiopia as one of its top ten global destinations for 2014, mentioning and elaborating on the country's rich culture. It underlined Ethiopia's magnificent heritage and the country's growing hospitality industry, noting that "independent travel around the country is becoming easier thanks to a boom in small hotels and restaurants". Ethiopia's natural and cultural sites were mentioned as attractions worth seeing, including the untouched national parks, the ancient cities of Axum, Gondar, Harar and Lalibela, "as well as the world's first coffee plantations, the largest cave in Africa at Sof Omar and the continent's largest concentration of UNESCO sites".

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# Pre- election preparations for Ethiopia's forthcoming national elections

The country's democratization and developmental agenda is an overarching responsibility given to the Government to enable the nations, nationalities and peoples of Ethiopia create a middle income society, build a carbon-neutral green economy by 2025 and hasten the realization of Ethiopia's renaissance. The national agenda places emphasis on the constructive interplay of democracy and development to secure the survival and national renewal of the country. The inextricable linkage and practical application of the two concepts across the nation has charted the way forward to set the course for its renaissance. The advent of democracy has turned the rich diversity of nations, nationalities and peoples into a national asset for the building up of 'unity in diversity' and fast-tracking the pace of development. At this juncture, as the nation is preparing to transform its economy, industrialization and modernization necessitate the continued growth of the democratization process.

The exercise of a free, democratic, peaceful and fair election to embody the will and aspirations of the people, will enable political parties and candidates to contest the realization of healthy political, social and economic development. This will open the prospect of the development of a pluralist system of government and advance the demands, aspirations and hopes of the people as well as promote the country's rich diversity. The previous four rounds of national elections have laid the groundwork and allowed people to exercise their constitutional and democratic rights. They have also speeded up the building of a community of shared political, economic, and sociocultural interests. Indeed, these democratic exercises have provided a catalyst for the constant growth of the country's democratic institutions, including the National Electoral Board of Ethiopia. Established in 1993 by Proclamation 641/1993 on the basis of Article 102 of the Constitution and the Electoral Law, the National Electoral Board of Ethiopia has the task of facilitating the way to set up a Government elected through popular suffrage and creating the conditions for a democratic electoral system that values the participation of political parties and peoples, and gives shared responsibility to political parties, civil society organizations, the government and the people to carry out successful, transparent, fair and democratic elections.

In the run up to Ethiopia's fifth National Election, scheduled to be held on May 24, the NEBE has undertaken a variety of activities and constitutional duties. The NEBE is carrying out voter registration between January 9 and February 19. On Wednesday this week (January 21), it announced that a total of 26,213,322 people, 12,465,430 women, had so far registered to cast their vote in the 13 days since the start of registration. The NEBE said the pace of registration has been impressive. In the 2010 national election a total of 31,926,520 voters, 15,252,240 women, registered; and in the 2005 election the total was 25,600,000. NEBE said the current registration process showed significant increased voter participation including effective exercise of the rights of women to vote. The NEBE said the number of registered voters so far represented 73 percent of the target it had set, and it said it was continuing to employ social media and state-owned and private media to continue to encourage registration across the country. Wondimu Molla, Deputy Head of the NEBE, said the NEBE expected over 35 million voters to turn out for registration. The Deputy Head of the NEBE added that special registration arrangements, "mobile registration", had been made for pastoralist communities. Political campaigning would be able to start after the completion of voter registration.

In an interview with Fana Broadcasting Corporation (FBC), Ato Demissew Benti, the Public Relations Director of NEBE, said on Tuesday (January 20) that what he described as an unprecedented surge in voter registration and the growth of public participation in voter registration showed peoples' strong resolve, to exercise their democratic and constitutional rights, to voice their demands for sound policies and strategic choices as well as ensure that the election was the sole means to assume political power. The Public Relations Director said the registration underlined the value of the successful preparations conducted by the NEBE in close consultation and collaboration with all stakeholders in the democratic process. He noted that the NEBE's awareness creation mechanisms as well as the provision of training on civic and voter education for civil society organizations and for the electorate through state-owned regional, national and private broadcasting and media significantly contributed to people's interest in registering for voting.

With regard to the registration of candidates' registration, NEBE officials said that as of January 18, out of 60 political parties 13 had so far registered their candidates. Registration of candidates commenced on December 25, and the NEBE urged parties to register their candidates within the agreed time frame which ends on February 4. The 13 parties that had so far registered their candidates were in the Regional States of Oromia, Amhara, the Southern Nations, Nationalities, and Peoples' Region (SNNPR), and in the two City Administrations of Addis Ababa and Dire Dawa. The Board called upon the other political parties to register their candidates as soon as possible to prevent problems arising as a result of failure to register within the timetable.

The NEBE held consultations at the beginning of this month with several political parties to discuss allocation of public funds given to political parties by the Government for the election. According to the Constitution and Electoral Law, the NEBE has the responsibility of determining the three categories of support granted by the Government and providing a formula of the amount of financial support given to political parties. It recently disclosed that 10% of the financial support was allocated equally to all political parties based on their participation in the elections; 40% of the funds were divided among political parties on the basis of the number of candidates each party was putting forward; 35% was divided on the basis of the number of seats previously held by parties in the Federal House of People's Representatives and the Regional Councils; and 15% was exclusively shared by women. These funds from the Government are intended to help political provide political debates and discussions as well as campaign for programs covering development, good governance, democratization, their policies and other topics concerning the lives of the population and the future of the country.

The NEBE and various parties have committed themselves to encourage increased women's participation in the upcoming elections. The Board pledged on January 13 that it would extend special financial support for political parties committed to field women candidates, and it has lived up to the promise by allocating 15% to be shared between women candidates. Several political parties, including the Coalition for Unity and Democracy (CUD), the Ethiopian Peoples' Revolutionary Democratic Front (EPRDF), and the New Generation Party, have all emphasized that they would field women candidates. The provision of funding for women candidates and the parties' commitment to encourage women candidates can be seen as a meaningful step in extending gender equality in the political arena. It will also encourage women to exercise their constitutional right to vote and be elected.

On Wednesday this week (January 21), the NEBE and Fana Broadcasting Corporation (FBC) organized a joint consultative dialogue emphasizing how to ensure the elections fair, democratic and peaceful. The meeting brought together Members of Parliament, States' Presidents, representatives of contesting political parties and civil societies. Ato Abadula Gemeda, Speaker of the House of People's Representatives, stressed that the realization of free, fair, democratic and peaceful elections rested on all political parties, the NEBE and the people; and he said all stakeholders needed to shoulder the responsibility. The Speaker went on to note that "the credibility of the upcoming elections would be determined by the active participation of the general public and the holding democratic, fair and free elections throughout the country," and he underlined that sovereign power rested in the hands of the country's nations, nationalities and peoples. Professor Merga Bekana, Chair of the NEBE, said the NEBE had completed the preelection activities with the specific aim of making the elections free, fair and democratic. The Chairperson detailed the NEBE's activities and the responsibilities it had successfully carried out to provide capacity building training for all stakeholders over the last five years. He also noted the NEBE has successfully dispatched materials and other logistic materials as well as delivered financial support to make the fifth national elections a complete success.

The pre-election environment is, in fact, being accompanied by the issue of numerous directives and the enactment and amendment of relevant proclamations to ensure the foundation for the institutional and legal framework of the election. This framework underpins the execution of fair and democratic elections according to the Ethiopian Constitution and to international global standards. It has had an effect. The increased voter registration is unprecedented in Ethiopia's electoral history. It has sent a clear signal that numerous people have accessed adequate information and become sufficiently aware of the electoral process to make informed decisions and understand that elections are the only way to hold political power as well as the way to determine the future destiny of the nation. The active political engagement of the general public, the strong desire to exercise their democratic rights to vote and to be elected, the upsurge in women's participation in voter registration as well as other new developments testifies to the successful and effective pre-election activities of the National Electoral Board of Ethiopia. Once voter and candidate registration has been finalized, election campaigning is set to be launched on February 14. It will last until May 21, and voting will take place on May 24. The final electoral results will be announced on June 22, 2015.

The successful preparation for the fifth round of elections as the increased participation of citizens and political parties underline the way the country's political institutions are evolving to allow people to determine their own affairs. Drawing on best practices from past elections and the best lessons of other countries this emphasizes the growth of an indigenous democratic process and political culture for free, democratic and peaceful elections. Nevertheless, all stakeholders, Government, political parties, the general public, media, civil society organizations and other concerned bodies, should continue to work to to widen the political space and provide an acceptable environment for an effective democratic process. All stakeholders need to cooperate with the legal and institutional framework of the electoral process, including the Constitution, the electoral laws and directives from the electoral institutions to ensure absence of interference from un-registered parties or any other unlawful activity, and guarantee the May National Elections are democratic, peaceful and credible.

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