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**News in Brief**

**African Union**

At the beginning of the week, the short-term observers of the African Union Observer Mission to Ethiopia's Fifth General Election this weekend arrived in Addis Ababa. The Mission is deploying a total of 59 short and long-term elections observers across the country. **(See article)**

AU Commission Chairperson, Dr. Dlamini Zuma and former Polish President, Lech Walesa, inaugurated a Tractor Assembly Plant in Adama, on Tuesday last week. Dr. Zuma said the project fitted into 2015 objectives of the AU, a year of empowerment of African woman. It underlined the importance of technology transfer, job creation and training. The URSUS factory employs 200 people and was described it as the most modern tractor assembly plant in Africa.

**Ethiopia**

Prime Minister Hailemariam responded to MP's questions in the final session of parliament before Sunday's General Election, and called on all parties to respect the decision of the voters. **(See article)**

Prime Minister Hailemariam Desalegn inaugurated Ethiopia's largest wind farm on Monday (May 18). The Adama II Wind Farm, a US\$345 million dollar project, is believed to be the largest in Sub-Saharan Africa. **(See article)**

Prime Minister Hailemariam on Wednesday (May 20) in Jimma in Oromia Regional State laid the foundation stone for the start of the construction of the 491km Addis Ababa- Ambo- Ijaji- Jimma- Bedele railway which is intended to extend into South Sudan.

Dr Tedros welcomed Nicholas Kay, the UN Secretary General's Special Representative in Somalia and Ambassador Maman Sidikou, African Union Chairperson's Special Envoy to Somalia on Tuesday (May 19). Dr. Tedros noted that Ethiopia remained firmly committed to help bring a lasting peace and stability in Somalia and underlined the way IGAD Member States

were enhancing the partnership and coordination required to support Somalia's peace and state building. An IGAD-facilitated meeting is being held in Djibouti this weekend.

The 5th executive-level U.S.-Ethiopia Bilateral Defense Committee meeting took place last week (May 11-13) in Washington, General David Rodriguez, Commander, U.S. Africa Command and Ms. Amanda Dory, Deputy Assistant Secretary of Defense for African Affairs, and General Samora Yonus, Chief of the General Staff of the Ethiopian National Defense Forces and Defense Minister Siraj Fergessa led the respective delegations. They signed a Basic Exchange and Cooperation Agreement between the U.S. National Geospatial-Intelligence Agency and Ethiopia's Information Network Security Agency.

The ninth and final round of election debates, focusing on foreign policy and national security, was held on Friday (May 15). The Ethiopian People's Revolutionary Democratic Front (EPRDF), Coalition for Unity and Democracy (CUD), Blue Party, Ethiopian Federal Democratic Unity Forum (EFDUF), All Ethiopian Unity Party (AEUP) and Ethiopian Justice and Democracy Forces Front (EJDF) participated (**See article**)

Arkebe Equbai, a Special Adviser to the Prime Minister with rank of Minister, said last weekend that Ethiopia is aiming for US\$1 billion of investment in industrial parks annually over the next decade to boost exports and make the country one of Africa's top manufacturers, in textiles, leather goods, agro-processing and other labor-intensive areas.

Since the Ethiopian Government began the evacuation of citizens from the trouble spots of Yemen and Libya and from South Africa a total of over 2,250 have arrived home. More are expected this week with another 260 evacuees from Yemen. Evacuations are continuing.

## **Djibouti**

President Ismail Omar Guelleh, opening the 3rd Forum of the East African Religious Leaders on May 18 in Djibouti, said everyone has to fight extremists who use religion erroneously and murder innocent people. Over 300 Ulema religious leaders from Ethiopia, Rwanda, Kenya, Somalia, Sudan, Uganda, Yemen, Saudi Arabia, Mali, Egypt and Turkey attended the conference

## **Eritrea**

Minister of Justice, Ms. Fawzia Hashim, announced on May 10 the publication of new Civil, Penal, Civil Procedure and Penal Procedures Code to replace the Transitional Codes enacted in 1991. A Commercial Code is being finalized. It was not clear if these new penal codes would apply to the operation of the much criticized Special Military Courts which have been responsible for dealing with many political cases.

## **Kenya**

President Kenyatta has welcomed the UN decision for Kenya to host the United Nations Peacekeeping Rapid Deployment of Engineering, Africa Unit. The UN Director of Operational

Support Services said on Wednesday last week (May 14) that the unit would boost the capacity of African countries contributing troops to UN peacekeeping missions.

## **Somalia**

Somalia's president strongly criticized the Government of Kenya on Thursday for its recent decision to clamp down on money transfer companies allegedly linked to the militant group, Al-Shabaab. In an interview with the BBC, President Mohamud described the remittance industry as "a lifeline" for millions of Somalis and said the closing down of remittances was counter-productive. The World Bank estimates that 40% of all Somalis depend on remittances.

The Special Representative of the UN Secretary-General and head of the UN Mission to Somalia (UNSOM), Nicholas Kay, Ambassador Maman Sidikou, Special Representative of the African Union and Prime Minister Omar Abdirashid Ali Sharmarke briefed the UN Security Council on the situation in Somalia on Tuesday (May 19). (**See article**)

Well over 5,000 refugees are estimated to have arrived in the port of Bossaso since the beginning of April from Yemen and thousands more are expected. The Puntland Government says the numbers are getting beyond the capacity of local authorities and, following the arrival of a shipload of 1,700 on Wednesday last week, has asked UN bodies to assist.

The President of Somaliland Ahmed Mohamud Silanyo has warned the international community against rebuilding of Somali National Army. Speaking during the 24th anniversary of Somaliland's self-declaration of independence on May 18, he said efforts to rebuild the Somali National army would lead to destabilization in the region.

## **South Sudan**

The Heads of State and Government of the International Conference on the Great Lakes Region meeting in Angola on Monday (May 18) rejected direct participation of the troika countries (US, UK and Norway) in the South Sudan mediation and the United Nations call for targeted sanctions and an arms embargo on South Sudan.

The United Nations Security Council has condemned the renewed violence in South Sudan's Upper Nile and Unity states. It said military offensives by pro-government forces have led to the displacement of over 100,000 civilians and with another 300,000 civilians being denied access to humanitarian aid because of the fighting. It called on all the parties to engage meaningfully in the peace process and bring about a political solution and an end to the South Sudan conflict. (**See article**)

A report by IGAD on Friday last week (May 15) accused South Sudan's army of carrying out "grave" human rights abuses in the all-out offensive launched by Government forces at the end of April. The report condemned "unwarranted and appalling actions" of the government, reporting "violence targeting civilians, grave human rights abuses and destruction of villages."

## **Sudan**

According to the Government of Sudan, the Presidents of Egypt, Ethiopia, South Sudan, Eritrea and Chad are expected to attend the swearing-in ceremony of President Omer Hassan al-Bashir on June 2 in Khartoum. President Al-Bashir won a landslide victory in April's presidential election with 94% of the votes. He was formally declared the winner on Monday (May 18).

The UN independent expert on the human rights situation in Sudan, Aristide Nononsi, concluded his first visit to Sudan on Thursday (May 21). He visited Darfur and met with government officials, national organizations, human rights groups and judicial bodies. He expressed concern over the state of press and religious freedoms in the country and urged the government to lift immunity enjoyed by perpetrators of crimes.

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### ***The National Electoral Board declares the Pre- Election preparations complete....***

Ethiopia is going to the polls on Sunday in one of the largest democratic exercises in Africa. Everything is now ready for over 36 million people to vote for around 6,000 candidates for the Federal House of Representatives and the nine Regional Councils and the Council of the two Chartered Cities. The candidates are standing on behalf of 58 political parties at both national and regional level, and include a number of independents.

The implementation of the Ethiopian Constitution (1995) which restructured both the format and the character of the Ethiopian state closed the chapter of authoritative governance and creating a new democratic framework and the environment for the people's sovereignty. Political power and legitimacy are now derived from the ballot box and any government must win the hearts and minds of the people. The Constitution also extended political participation far further than ever before, providing a mechanism under which minority ethnic groups became directly involved in the decision making process through affirmative action in the administrations in which they lived and representation of one per hundred thousand voters. Indeed, in order not to leave anyone unrepresented, it specifically provides more than 20 seats for ethnic minority groups.

Over the whole series of elections, starting with the first local elections in 1992, and through the successful series of national and regional elections in 1995, 2000, 2005 and 2010, a legal and institutional infrastructure have helped build a democratic political culture which is continuing to put down firm roots among the people. One demonstration of this can be found in the registration of voters for this weekend's election. Voter registration, one of the litmus papers of the democratization process, this time stands at 36.8 million or 94% of eligible voters. This is a record for Ethiopia. Professor Merga Bekana, Chair of National Election Board of Ethiopia (NEBE) is quite clear: "the pre-2015 election process, by any global electoral standard, exhibits both wide participation and growing maturity of democratic political culture."

According to Professor Merga, the Board started its preparations for the 2015 election immediately after the conclusion of the 2010 National Election. He pointed out that "after

rigorous scrutiny and evaluation of past performances, the Board has come up with a number of different solutions to further enhance its capacity.” He said the Board invested a lot in building the capacity of the experts in the Board’s Secretariat as well as the capacity of various stakeholders in the election process, including election officers and others. The Board also held a whole series of consultative meetings with major stakeholders in the electoral process, and in society, including political parties, media, academia and civic society. The Board also made every effort to encourage voters’ consciousness and understanding by carrying out educational opportunities focusing on issues related to civic and electoral values. Along with the Ethiopian Broadcast Agency, the Board allotted free TV and Radio air time and newspaper columns. As a result, most parties were able to deliver their policy options to constituents.

According to Nega Dufessa, Secretary of the NEBE, Election 2015 is also unique both in the amount and allocation of election funding. He said that in the last election, the NEBE handed out 12 million birr. This time the fund available was over 30 million birr. In 2010, 55% of the fund was divided on the basis of the number of parliamentary seats held by a party. Following discussions with opposition parties this time round, the percentage was dropped to 35%. He also noted that in its efforts to make the election more inclusive, the Board gave special attention to women, people with disabilities and those who are unable to read or write. Dr. Negeri Lencho, from Addis Ababa University’s School of Journalism and Communication said that the pre-election process could be described as effective by any international standard. The Chairman of the opposition Kinijit for Justice and Democracy party, Ayele Chameso, shared his view.

Two important stages remain: the actual voting on Sunday, and the post-election processes of counting and evaluation. To observe the election, thousands of local observers as well as observers from the AU are en route to different polling stations and zones. At each polling station there will also be five election officers, public election observers chosen by the public and party representatives. Different local civic organizations and associations, totally independent from the Board, will also observe the election. The Coalition of Ethiopian Civic Associations, made up of 14 national associations with 17 million members, is deploying over 40,000 of its members to observe the election. The political parties will also deploy their own observers. The AU Observer Mission includes 59 short and long-term election observers, the long-term observers deploying on May 19. Some commentators have questioned the lack of western observers, but Nega Dufessa noted that the quality of any political election is first defined by the participation of its citizens not by the number and diversity of foreign observers. On May 24, the majority of the eligible voters who secured their cards will exercise their democratic right. The NEBE says that a high voter turnout is important and the NEBE has been working hard to encourage the public to vote.

According to Professor Merga, the preliminary results will be revealed within three to five days after voting, but the final result will be announced on 21 June 2015 as laid down in the election timetable. In the meantime, the Board this week briefed the media and all the parties on the code of conduct and behavior relevant for Election Day itself. It urged the parties to abstain from any premature, unauthorized and unilateral declaration of victory.

***...and election debates conclude on Foreign Policy and National Security....***

Nine weeks of televised election campaign debates concluded at the end of last week (May 15) with a debate on Foreign Policy and National Security, with two representatives each from the Ethiopian People's Revolutionary Democratic Front (EPRDF), All Ethiopian Unity Organization (AEUO), the Coalition for Unity and Democracy (CUD), the Unity for Democracy and Justice Party (UDJP), the Ethiopian Federal Democratic Unity Forum (MEDREK), and Semayawi Party (Blue). Broadcast by the Ethiopian Broadcasting Corporation, this was the ninth and last of the televised debates of the campaign.

Foreign Minister Dr Tedros Adhanom and Getachew Reda, Special Advisor to the Prime Minister, represented the EPRDF. Dr Tedros argued that the careful calibrated policies and strategies of the ruling party have turned imagery of a starving and famished Ethiopia of the 1980s into a narrative of a resurgent country, an "African Lion" in the 21<sup>st</sup> century. The results could be attributed to the people's commitment to development and to national renewal, building on the basis of the EPRDF's Foreign Affairs and National Security Policy. He emphasized that the Foreign Affairs and National Security Policy, which rejected the 'siege mentality' of previous governments, also capitalized on the fact that the Government saw democracy and development as the alpha and omega of national interest and of the country's renaissance.

Past governments, he said, had played up the siege mentality to distract people from the underlying causes of indignity, famine and poverty. The result was economic and political paralysis. Starting from that low point, dissecting the failures and orienting the foreign policy towards the inward development, Ethiopia had started on its long journey of development and the democratization process combined with institutionalization of a cooperative regional integration and development architecture. This, Dr. Tedros said, paid proper attention to mutual benefit, non-interference, collective peace and security, and the promotion of equitable and fair utilization of natural resources in the region and Africa. These policies and strategies produced practical implementation that yielded fruitful results over the last 20 or more years. The country had, he underlined, taken pioneering steps to turn commitment for regional integration into a practical and tangible reality with a view to enable economies of the region take off through massive infrastructure interconnectivities. The Lamu Port South Sudan–Ethiopia Transport Corridor Project (LAAPSSET) between Ethiopia, Kenya and South Sudan, for example, which was now beginning to move forward, was an indication of the country's commitment to speed up economic integration through infrastructure links in the region. This was in addition to Ethiopia's own greater railway, rail and power links with Sudan, Djibouti and Kenya.

The Minister stressed that cooperation in safeguarding regional peace and security, and in promoting fair and equitable utilization of natural resources including the Nile River, was bearing fruit. The Foreign and National Security Policy, together with additional domestic policies and strategies, had emerged as a thread linking Ethiopia to its lost glories. It had also devised ways to help the country spearhead mutual benefits in its relations with its neighbors and the outside world. One example of this was the signing of the Declaration of Principles on the Grand Ethiopian Renaissance Dam with Egypt and Sudan. Ethiopia, the Minister also noted, had been a front runner in aspiring to help Africa become an influential player and partner in international affairs through the African Union. It has been a champion in making the African

voice heard on matters of climate change and other critical issues of global governance in G8, G20 and other international fora as well as in its dealings with major countries including the US, China, Japan and Korea. Ethiopia, chair of the African Union when the African Agenda 2063 was drafted, has committed itself to make “the Africa we want” a reality. Foreign policy under the EPRDF, in other words, has been and will continue to be committed to create a secure, peaceful and prosperous Africa.

Dr. Merera Gudina, representing MEDREK, argued that EPRDF’s foreign policy objectives, focused on democracy, rapid economic development, and peace and stability, have done no more than bounce between mere words and a one party state monopoly. He went on to claim that the country has not seen any building of a democratic process, and that the building of an authoritarian regime affected the entire political system of the country sidelining most of society.

Woretaw Wassie, representing the Semayawi Party, argued that Ethiopia’s history was a fine example of a mix of astute diplomacy and adeptness in strategically using military prowess to serve the national interest and safeguard the sovereignty of the country. Mastery over diplomacy and war had defined the foreign relations of Ethiopia and the country had become a beacon of hope for freedom and equality across the entire African continent and in the Black Diaspora. However, the EPRDF had not continued with this. It had betrayed the history of its ancestors. He argued that the EPRDF’s foreign and national security policy mistakenly calculated poverty to be a national threat. Semayawi, he said, believed the national threat could not be poverty as the country was endowed with huge natural resources and located in a strategic geopolitical position. He said the threat needed to be assessed, calculated and defined in terms of the country’s natural resources and geopolitical position.

Ayele Chameso, who represented CUD, claimed that EPRDF had given away territories to neighboring countries including Badme to Eritrea and the North Western part of the country to Sudan. This, Dr Tedros, categorized as no more than a fairy tale. Nothing, he pointed out, had been demarcated on the ground. He noted that both sides had conducted to provide mutual benefits for both countries as under previous agreements concluded by the Emperors Minelik and Haile Selassie. Dr. Tedros also pointed out it was quite wrong to criticize military measures taken in Somalia as flawed because a government of religious fundamentalists had appeared there and Ethiopia’s national and regional security was now in jeopardy. In fact, he said, the military measures and the victories over Al-Shabaab extremists were paving the way for political improvement. The political situation in Somalia, now, showed positive prospects with Al-Shabaab seriously weakened, regional administrations being formed and a spirit of mutual trust and confidence being built among the higher echelon of political leaders. Dr. Tedros noted that the Ethiopian National Defense Force had been playing a major role in helping to create sustainable peace and security in the country, the region and in Africa where units have successfully engaged in a number of UN and AU peacekeeping missions.

Getachew Reda said opposition accusations that there was no peace and stability across the country proved no more than opposition confusion and the chaotic nature of its leadership. Such a claim had no reality. Ethiopia had, in fact, become “an island of peace in a tough neighborhood.” Ato Getachew claimed that there were some opposition parties whose narrow

political and personal interests in effect served foreign countries, leaving the interest of the people in danger. He said the EPRDF's definition of foreign policy on the basis of identifying poverty, backwardness and democracy as threats to national security of the country, had come to the fore as political exclusion and poverty made the country prone to destabilization before 1991. The EPRDF's foreign policy orientation, he said, centered on creating an enabling regional and international environment to ensure political and economic inclusion. Natural resources had little to do with the threats to the interests of Ethiopia; the building of a democratization process and the war on poverty offered a promising future for Ethiopia's renaissance. Ato Getachew went on to argue that this had enabled the country to take a leading role in safeguarding peace and stability as well as regional development. Concerning Ethiopia's relations with major countries, including the US, China and other countries, he stressed EPRDF's central focus is on reasonable cooperative partnerships and a win-win approach. Policy ownership, he said, has always been the hallmark of the EPRDF's commitment in foreign relations. This had made the country to become an exemplary model offering positive prospects for all of Africa.

*....while Prime Minister Hailemariam responds to MP's election questions*

With the election only three days away, Prime Minister Hailemariam was in Parliament on Thursday (May 21) this week to answer a whole series of questions from MPs on the election and electoral procedures. MPs raised questions on the Government's efforts to ensure a fair, peaceful and acceptable election; government plans to alleviate criticisms over governance and accessibility to infrastructure development; evaluation of the behaviour of political parties and participation of people in the election; the role of election observers; and similar concerns. They also asked the Prime Minister about the completion of the Growth and Transformation Plan and the plans for its successor, the GTP II.

Prime Minister Hailemariam said that 2015 National election preparations had involved a series of lessons from the four previous elections and the National Electoral Board has made thorough preparations. The election would be fair, free and peaceful, he said. He added that majority of opposition parties and others involved had made it clear that the election processes would continue without problems. The Prime Minister underlined that the key participants were the people; it was their participation and activity that would ensure that the election would be fair, free and peaceful. The people were the judge.

The Prime Minister explained that the Government had reviewed the preparation process and participation. The registration levels had been impressive, higher than ever. That was a clear demonstration of the desire of the people for democratic elections. The activities of the political parties and the debates on policies and strategies were useful to provide people with the opportunity to make their choices. This was important as the people were the owners of the election and the election process. Looking at people's participation, the process had been a success and it was clear that many of the parties were working hard to make the election free, transparent, fair and peaceful.

The Prime Minister said the majority of the political parties had used the media and other mechanisms fairly in their campaigning whatever positions they had taken. The majority had certainly worked for peaceful and fair election. However, he said, some parties' leaders



appeared to have decided not to take part in a peaceful and fair election process. These had, he said, no understanding of the meaning of free and fair elections, merely arguing that if we do not win then the elections will be unfair. These sorts of claims were unnecessary complications and he called on parliament and the entire Ethiopian people to resist them. He pointed out that if there were any problems that arose during the election, there were appropriate mechanisms to deal with this. The NEBE, he said, was prepared, professional and had made all the necessary preparations to manage any such issues.

On election observers, the Prime Minister said the Government was quite ready to engage with any international observers, anybody could come and observe. Some, like the EU had declined for financial reasons. However, AU election observers were engaged and indeed they had provided their preliminary report. He also noted that there were over forty thousand civic association observers and peoples' representatives who would also be observing at the polling stations. He pointed out all opposition parties have the right to assign their own observers and ensure the process will be done in front of people freely and fairly. The judge of the election will be the people, he said

Prime Minister Hailemariam explained that GTP I had now concluded and GTP II was under final preparation. It would go before Parliament after the election. He said the Government had taken on board the points raised and designed both medium and long term plans to resolve all the problems and issues accordingly. He noted that one thing that was very clear from all the discussions was the very strong and increasing desire of people for development. The questions raised over the GTP I were not exactly those raised for GTP II. Last time much of the focus was on water, roads, schools and clinics. This would certainly, continue, but this time round, electricity and energy would be particularly important to provide for increased industrialization, and development of jobs as well as the benefits provided watching TV, using refrigerators and so on. All these also pertained to development and were questions for the next phase of the GTP as part of the improvement of services as well as taking care of governance issues. The Government, he said, had launched numerous job opportunities for youth. However, a number of youth had expressed their dissatisfaction over these. The Government would therefore concentrate on creating new job opportunities and at a much faster rate in GTP II. Important packages were already in preparation and, he said, we will be working to resolve any and all complaints.

In conclusion, Prime Minister Hailemariam said the Government would ensure that all measures necessary were taken to ensure that the rule of law was respected during and after the election. The decision of the people would be final. The EPRDF and, he believed all other political parties, would respect their decision and abide by it.

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### ***Fresh South Sudan fighting condemned***

Another large-scale outbreak of fighting between the warring factions in South Sudan, with a rapid increase in the number of casualties and the repeated violations of the Cessation of

Hostilities Agreement over the last week, have been strongly condemned by IGAD, the AU and the UN. On Friday (May 15) last week, heavy clashes occurred in Malakal State, as government troops clashed with rebel fighters, forcing hundreds of people to flee from the town, the capital of Upper Nile State. It has already changed hands on a number of occasions in the last 18 months. South Sudan's Information Minister Michael Makuei stated that heavy explosions and gun fire took place inside Malakal as troops clashed with fighters loyal to former Vice President Riek Machar for control of the town. Conflict also continued during the week for control of the Poloich oilfield in Upper Nile State which has the largest airfield in South Sudan. The military offensives by pro-government forces led to the displacement of an estimated 100,000 civilians. As a result of the fighting, the UN said over 300,000 civilians were unable to access humanitarian aid.

IGAD on the basis of the preliminary reports filed by its Monitoring and Verification Team-MVT on the ground said the Shilluk militia of General Johnson Olony and the SPLM/A-in-Opposition had jointly attacked areas held by Government forces in and around Malakal on May 16. The IGAD Mediation, deeply frustrated by the spread of the latest violence to Upper Nile, strongly condemned this serious violation of the Cessation of Hostilities Agreement by the SPLM/A-in-Opposition and its allied forces. It called on the warring parties to immediately end the killings and all hostilities ravaging the country. The IGAD Mediation also insisted the warring Parties must resort to peaceful ways of ending the crisis without further delay. It underlined the absolute necessity of both sides adhering to the commitment they had made to their people and the international community and resorting to peaceful ways of ending the crisis.

The United Nations Security Council, in a statement over the weekend, strongly condemned the renewed and ongoing large scale violence in South Sudan's Unity state. It said military offensives by pro-government forces had led to the displacement of over 100,000 civilians and with another 300,000 civilians were denied access to the aid being provided by humanitarian agencies as a result of the fighting. It also condemned the large-scale attack by armed opposition forces in Malakal. The opposition captured the town again on Saturday (May 16). The Security Council called on all the parties to engage meaningfully in the peace process so as to bring about a political solution to the crisis and an end to the South Sudan conflict. It expressed concern about the worsening of the humanitarian crisis and renewed its call for the parties to the conflict to allow and facilitate the "full, safe and unhindered access" of humanitarian personnel, equipment and supplies to all those in need and timely delivery of humanitarian assistance. It further condemned all human rights violations and abuses and demanded an immediate end to them, noting that the Government (of South Sudan) bears the primary responsibility to protect the civilians from abuses and from potential crimes against humanity and war crimes. The Council once again acknowledged the peace process led by IGAD and urged renewed regional and international efforts to swiftly implement a common plan and to table a reasonable and comprehensive solution to end the crisis.

Council members "reiterated their willingness to impose sanctions against those who threaten the peace, security or stability of South Sudan as established in the resolution 2206 (2015) and, in this regard, noted the 24 March 2015 African Union Peace and Security Council communiqué On South Sudan and the 12 May 2015 African Union Commission Chairperson's Statement on

South Sudan.” The Council also reiterated its full support for UN peacekeepers in South Sudan and demanded all parties end intimidation and harassment against the UN mission in South Sudan and stop restrictions on freedom of movement. It further demanded full adherence to the Status of Forces Agreement and permission for the deployment of essential assets and enablers currently being blocked by the South Sudan Government. The statement said “the members of the Security Council underscored the importance of close cooperation and communication between UNMISS and government in addressing these issues.”

Earlier, the Council had heard from the head of the UN Mission in South Sudan of the “untold suffering” of people. Addressing the Security Council on Thursday last week, Ellen Margrethe Loj, detailed how the conflict has displaced millions of people, yet showing no signs of ending, despite the efforts of IGAD: “The untold suffering of the people of South Sudan must stop,” she said: “Every day without a political agreement contributes to a further deterioration of the situation on the ground, leading to greater displacement and human misery, and risks regional peace and security.” She said the most serious situation was currently in Unity State where Government forces launched an offensive in late April advancing towards Koch, Leer and Adok.

The UN now calculates the conflict has led to over 2 million people being displaced, 1.5 million internally, and 500,000 into neighboring countries, with 2.5 million people facing severe food insecurity. And there are fears the situation will deteriorate further. A recent report entitled ‘South Sudan: The cost of War’ by Frontier Economics published in collaboration with the Center for Conflict Resolution and the Center for Peace and Development Studies suggests the casualties and costs of the conflict, for both South Sudan and its neighbors, are likely to increase at an accelerating rate. The report looks forward from January 2015 to quantify the additional economic costs that would be incurred by South Sudan, other countries in the neighboring region, and the wider international community, if the conflict persists. It calculates that if conflict persists for between another 1 to 5 years, it will cost South Sudan between US\$ 22.3 billion and \$28Billion, in addition to the horrific human costs that would also have significant long term economic impact. If the conflict lasted another 5 years, the report says, the effects of hunger on labor productivity could add another \$6 billion in loss of GDP. The country’s spending on security could also increase by a further US\$2 billion if the conflict continued for five years. The report also estimates the financial impact on neighbors: Ethiopia, Kenya, Sudan, Tanzania, and Uganda, it says, would save up to \$53 billion if the conflict is resolved within 1 year, rather than allowed to last for 5 years.

The report warns that “South Sudan runs the risk of becoming a failed state” without a swift end to the conflict and recommends putting more pressure on the warring parties to end the fighting and implement the resolutions of last December’s IGAD Summit. It suggests collective action by the IGAD region should be taken against any party responsible for any violation of the cessation of hostilities. It recommends IGAD, with the backing of the AU and the UNSC, continues to support the active participation of a broad range of South Sudanese religious leaders and civil society representatives in the peace process. It also calls for efforts to make sure accountability, reconciliation and a healing process take root in South Sudan as well as averting famine and meeting humanitarian needs of all in need. Support for targeted recovery and development programs for South Sudan in the medium term will also be important once peace is restored.

The current situation of South Sudan shows a continuation of the conflict with no end in sight. The economy is continuing to deteriorate with a humanitarian catastrophe looming and the strong possibility of a full-scale civil war with major regional implications.

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### *A briefing for the UN Security Council on Somalia*

The Special Representative of the UN Secretary-General and head of the UN Mission to Somalia (UNSOM), Nicholas Kay, on Tuesday (May 19) briefed the UN Security Council on the situation in Somalia. He also presented the Secretary-General's latest report on Somalia, covering January through April. Mr. Kay was speaking via video link from Addis Ababa where he was joined by Ambassador Maman Sidikou, Special Representative of the African Union Chairperson for Somalia and Head of AMISOM. Prime Minister Omar Abdirashid Ali Sharmarke also updated the Council from Mogadishu.

Mr. Kay said that following the end of the political crisis that had gripped Somalia for four months last year the process of building a federal State had regained momentum, and he stressed that overcoming the prevailing environment of mistrust deserved sustained support. He said "We need to reinforce success with increased engagement and resources." He said that as the federalism process advanced, UNSOM's work in Somalia's regions would become ever more critical: "We will seek to maximize our support to existing and new administrations," as these require logistical and security support in difficult circumstances. In this context, Mr. Kay described the African Union-United Nations partnership in Somalia as unique, strong and essential for success. He said UNSOM would be working with the African Union, IGAD and European Union member states on forming Interim Regional Administrations that ensure inclusivity for women, minorities and youth.

Mr. Kay said federal, regional and local leaders, parliamentarians and others were building a federal State through dialogue and reconciliation. He said the President and Prime Minister, as well as the Speaker and leaders of the Puntland, Juba and South West Administrations were determined to deliver on the "Vision 2016" plan without extending the terms of the Federal Parliament or President, which end in August and September 2016, respectively. Important targets in the coming months included forming Interim Regional Administrations and assemblies, advancing the constitutional review, establishing the National Independent Electoral Commission and Boundaries and Federation Commission, and finalizing legislation on political parties, citizenship and elections. Nor would there be any let-up in the constitutional review.

Mr. Kay said the mechanisms created in 2014 to support implementation of the New Deal Somali Compact were starting to perform. He praised the Federal Government for its leadership, noting that a \$100 million program portfolio, aligned with Government priorities and donor resources, had been approved for inclusion in the United Nations Multi-Partner Trust Fund. He was pleased that a Treasury Single Account was now in place. This created a single channel for national revenues and payments. However, coordination of international assistance remained

uneven, with only 10 per cent of the funds pledged in Brussels in 2013 committed through the Compact architecture. The humanitarian situation remained alarming, with 730,000 Somalis unable to meet their daily food needs. Another 2.3 million risked sliding into the same situation, among them more than 1.1 million displaced. He said that so far, after a third of the year, the Humanitarian Appeal was only 12% funded with no more than US\$100 million of the \$863 million needed. He warned that the situation could be compounded by “a poor rainy season, the closure of the Somali remittance operators and an escalating conflict in Yemen.” Somalia, as of May 14, had received 6,949 arrivals from Yemen, and thousands more are expected. Mr. Kay also noted the need for progress on human rights. Somalia, he said, would take part this year in the UN Human Rights Council’s Universal Periodic Review, but he was concerned about a marked recent increase in executions and death sentences despite commitment to a moratorium, as well as continued threats and intimidation of journalists.

Mr. Kay noted it can be expected that Al-Shabaab would do everything it could to derail the political process, and it was important to monitor and respond to any sign that Al-Shabaab was benefitting from links to extremists in Yemen. Closer state cooperation at the sub regional level, including measures to prevent and counter violent extremism, was needed. Renewing the joint Somali-African Union offensive against Al-Shabaab was therefore a priority.

Ambassador Sidikou updated the Council on the recently concluded joint African Union-United Nations review of conditions for the possible deployment of a United Nations peacekeeping mission and the steps that AMISOM had taken in response to allegations of sexual abuse by its personnel. The joint mission had concluded that “the situation in Somalia as a whole is not conducive for the deployment of a UN peacekeeping operation until the end of 2016 at the earliest”. He therefore welcomed recommendations to extend the duration of the surge of deployment of AMISOM. This would enable AMISOM to resume the offensive operations against Al-Shabaab, through an enhanced chain of command and with necessary assets such as helicopters and allow it to consolidate and stabilize recovered areas. However, force enablers and multipliers, such as helicopters, authorized under UN Security Council resolution 2124 (2013), were still lacking and reduced the agility and flexibility needed to counter Al-Shabaab’s tactics. Ambassador Sidikou also strongly emphasized that international support to Somali security forces should be increased along the lines of the “Guulwade Victory Plan” drawn up by the country’s authorities. Under this, a total of 10,900 national army troops, comprising units from the regions, would receive support from international partners for participation in joint operations with AMISOM and capacity-building as part of development of the army. The plan also outlines the arms and equipment needed for joint operations and provides a framework for the first phase of longer-term development of the national army. The capacity of the Somali police must also be built up with AMISOM police supporting the recruitment, vetting, training and deployment of 600 officers for each of the administrations. He noted that in response to the elevated threat of Al-Shabaab terrorism, AMISOM and its Somali counterparts had boosted joint security operations, especially in urban centers.

Prime Minister Sharmarke asked the Council to support the “Guulwade Victory Plan”, a strategy to enhance the Army’s capacity to fight Al-Shabaab alongside AMISOM. He asked the Council to authorize a support package to integrate the necessary additional personnel into the Somali National Army. He said progress had been made on the political front in advancing “Vision 2016” in central regions and planning for federalization had begun. He welcomed the inauguration of the Jubaland parliament, but cautioned that other issues persisted and the Federal Government, he said, was working with opposition leaders to find a compromise over federalization of the area. The Federal Government was, he said, working with Kenya on return of refugees, as well as with authorities in Yemen, but he said Somalia didn’t have the resources or the capacity to absorb all the refugees from Yemen.

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### *A draft Addis Ababa Accord for the 3<sup>rd</sup> Financing for Development Conference*

With Addis Ababa set to host the Third International Conference on Finance for Development, scheduled for 13-16 July this year, Norway and Guiana, the co-facilitators of the preparatory process have issued their first draft of the Conference Outcome Document – the draft Addis Ababa Accord. This has been produced following substantive drafting sessions held in New York earlier, in January, April and May. These provided inputs to review the progress made in the implementation of the 2002 Monterrey Consensus and the 2008 Doha Declaration on Financing for Development, and raised new and emerging issues to be addressed at the Addis Ababa Conference, notably in the context of the post-2015 development agenda. The draft accord is built on the work of these preparatory processes as well as incorporating a wide range of inputs submitted by Member States and other stakeholders. In addition, it also takes note of the Report of the Open Working Group on Sustainable Development Goals, the Report of the Intergovernmental Committee of Experts on Sustainable Development Financing, and the Synthesis Report of the Secretary General.

The United Nations is going to host a Summit to adopt a striving and transformative Post-2015 agenda, including Sustainable Development Goals (SDGs) in September 2015. The Co-Facilitator, therefore, emphasized that the draft accord was issued in a bid to establish “a holistic and forward-looking framework” with the aim of forging an agreement on concrete actions to deliver the promise of the development agenda, and achieve sustainable development.

The latest version of the draft accord document, issued on May 7, 2015, comprises two main sections: a global framework for financing sustainable development and the Addis Ababa action agenda. The first section outlines a "threefold" task: the follow-up of the commitments made in both the Monterrey Consensus and the Doha Declaration; a further intensification of the framework to finance sustainable development and the means of implementation for the universal Post-2015 development agenda; and making certain that the actions agreed are implemented and reviewed in an appropriate, timely and transparent manner.

As for setting the global framework for financing sustainable development, under which the draft accord was conceived, the Outcome Document was put in place to address the challenges of

financing for sustainable development in the spirit of global partnership and solidarity. Although some significant changes have been made in terms of mobilizing financial and technical resources for development and advances in technology and innovation, the document makes it clear that there are “enormous unmet needs for sustainable development.” The document says firmly that despite significant economic and social progress in many countries, “economic crisis, conflict, environmental concerns, climate change and other global risks threaten to undermine past successes and future prospects.”

In response to these challenges, the draft accord puts forward appropriate solutions. These include: the formulation of cohesive, national sustainable development strategies, which shall be put in place to facilitate sustainable and stable growth, structural transformation, social inclusion and environmental sustainability, supported by integrated national financing networks. To this end, the Outcome Document underlines that national strategies must be supported by a new global partnership for sustainable development “based on common and differentiated responsibilities”. The document emphasizes the importance of acknowledging the needs of countries in special situations. These include least developed countries, landlocked developing countries, small-island developing states, countries in conflict and post-conflict situations, and Sub-Saharan Africa. It also noted the specific challenges on the part of middle-income countries.

The first section contains a sub-domain on mobilizing the means to implement the post-2015 development agenda. Among other suggestions is the call for integrating the economic, social and environmental dimensions of sustainable development and merging a variety of modalities and instruments aimed to achieve the Sustainable Development Goals (SDGs). The second section of the Accord comprises eight sub-domains, which include: domestic public finance; domestic and international private business and finance; international public finance; international trade for sustainable development; debt and debt sustainability; systemic issues; technology, innovation and capacity building; and data, monitoring and follow-up.

In the first domain, covering Domestic Public Finance, the Outcome Document places domestic resource mobilization and effective use at the center of the shared pursuit of sustainable development. It underlines the need to create an enabling environment for sustained economic growth and or good governance at all levels. It, therefore, calls for fairness and effectiveness in tax systems, the strengthening of national regulation and international cooperation to combat “illicit financial flows, tax evasion and corruption.” It makes it clear these should be reduced over the next 15 years. The draft also calls for equal and full participation of women, the development of sustainable and alternative livelihoods for affected communities, strengthening transparency and adoption of pending policy innovations, participation of developing countries in norm setting for international tax cooperation, utilization of the UN peer review process, efficient and effective use of resources, inclusion of access to essential healthcare and education, elimination of harmful subsidies, and the strengthening of capacity, particularly in areas of infrastructure development, local taxation, sectoral finance, debt issuance and management. It also calls for FDI to be allied with national development priorities to contribute for inclusive and sustainable development.

With regard to Domestic and International Private Business and Finance, the draft acknowledges the role of private business activity, while also stressing the fact that governments should develop regulatory systems so that private business and finance elements fall in line with sustainable development goals, particularly on environmental, social and governance practices. The draft also calls on countries to integrate remittances into their national financial inclusion strategies, lowering of costs of transferring remittances, ensuring access to formal financial services for all, encouraging increased knowledge sharing and capacity building, meeting long-term financial needs, increasing operational and financial efficiency, and improving financial viability and creditworthiness.

On International Public Finance, the draft urges all developed countries to allocate 0.7% of gross national income (GNI) as Official Development Assistance (ODA) to developing countries, with 0.15-0.20% of GNI to Least Developed Countries (LDCs) by 2020. It calls for indicative timetables on the part of donor countries on how they will scale up their assistance. The draft also emphasizes the need to further strengthen South-South cooperation and triangular cooperation; and underlines the need to be able to meet the relevant commitments under international conventions, including those relating to climate finance.

With respect to International Trade for Sustainable Development, the draft calls on governments to commit to widen market access and avoid subsidies, particularly on agricultural products, to work toward reducing fragmentation caused by international trade and investment agreements, and to strengthen regional cooperation and regional trade agreements. It also calls for: transparency in negotiating and implementing trade and investment agreements; and strengthening safeguards in investment treaties to protect the “right to regulate” in areas critical for sustainable development.

On Debt and Debt Sustainability, the draft calls for the monitoring and prudent management of liabilities. It invites the International Monetary Fund and the World Bank to further strengthen their analytical tools for sovereign debt management, opts for the formation of a Task Force on Finance Statistics to consider creating a central data registry, including information on debt restructurings. It also wants an agreement with regard to installing appropriate mechanisms based on a global consensus on guidelines for debtor and creditor responsibilities.

As for Systemic Issues, the draft accord calls for the revitalization of a global partnership for sustainable development, alignment of the business practices of all international and national development finance institutions with the pursuit of sustainable development objectives, harmonization and coordination of global financial institutions, reform of these institutions to reflect the voice of developing countries, the inclusion of coherence checks and the use of regular appraisal of operations on the achievement of economic, social and environmental priorities, particularly with respect to the SDGs.

On Technology, Innovation and Capacity Building, the draft calls for the intensification of investments in science, technology, engineering and mathematics, education; enhancing technical and vocational education and training; increasing international cooperation and



collaboration on innovation and scientific research; strengthening coherence and synergies among technology transfer initiatives within the UN system.

On Data, Monitoring and Follow-up, the draft accord invites the UN Statistical Commission to facilitate enhanced tracking of data, and the use of regular assessments on the adequacy of international statistics which mainly have to do with financing for sustainable development. In addition, the draft calls on the UN and international financial institutions to work on the progress and on critical gaps in the implementation of the global partnership for sustainable development. It emphasizes the critical importance of establishing a network to follow-up, review and advance implementation of the Accord. Indeed, as outlined in the Roadmap for the convening of the Third International Conference on Finance for Development, (Addis Ababa – July 13-16), UN Member States and stakeholders are now expected to work together to come up with a comprehensive financial framework that could enable implementation of the post-2015 development agenda.

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### ***Chinese Council for South-South Cooperation visits Ethiopia***

The Chinese Council of South-South Cooperation (CPSSC) started a three-stop African tour last week with a visit to Ethiopia (May 11-14). It will also be visiting Mozambique and Zimbabwe. The delegation was led by former Vice-Foreign Minister of China and Chairman of the Council, Mr. Lyu Xinhua and included the former Chinese Ambassador to Ethiopia and now Vice Secretary General of the CPSSC, Xie Xiaoyan; the Vice-Chairman of CSSPC and former Ambassador to the Bahamas, Li Yuanming; the former Ambassador to Angola, Zhang Bolun and other former ambassadors and senior diplomats. The delegation also included representatives of 13 well-established Chinese companies: the Chint Group, the Yuemei Group, Anhui Siat Cables Group Co. Ltd., Shangtex Holding Co. Ltd., Baojin Mining Group Co. Ltd., Beijing Fazheng Group, China Nuclear Industry 22<sup>nd</sup> Construction Co. Ltd., Chongqing Qian-Yu-Tang Ceramic Technique Co. Ltd., Tongling Shangfeng Cement Co. Ltd., Chian Tiesju Civil Engineering Group Co. Ltd., Anhui Foreign Economic Construction (Group) Co. Ltd., Hebei Huiren Medical Equipment Science and Technology Co. Ltd., Bridge International Investment and Development Co. Ltd. and Africa-Asia Culture Communication Co. Ltd. Their activities cover a variety of business fields, including electric equipment, clean energy, mineral processing, textile, building materials, engineering and construction, medical equipment, cultural and education exchange and project investment. The Council delegation is looking for fresh opportunities in investment and trade; the visit was organized by Ethiopian Embassy in Beijing.

During their four day stay in Ethiopia, the delegation held important discussions on the investment and business environment of the country with President Dr. Mulatu Teshome, Dr. Arkebe Equbai, Advisor of the Prime Minister with the rank of Minister, and Mr. Fitsum Arega, Director General of the Ethiopian Investment Commission. A business workshop was held at the Hilton Hotel in cooperation with the Ethiopian Chamber of Commerce and Sectoral Associations with Tadesse Haile, State Minister of Industry, Lyu Xinhua, Chairman of CPSSC and Gashaw Debebe, Secretary General of the Ethiopian Chamber of Commerce presiding. The meetings

helped the delegation understand Ethiopia's economic environment, its policies, and the opportunities available in terms of investment as well as the support provided by the Government for private business operations.

Ambassador Berhane Gebre-Christos, State Minister of Foreign Affairs, hosted a dinner reception at which discussion covered the area of interests of the companies as well as exchanging ideas on further cooperation with the leadership of the Council. The companies in the delegation were briefed about the various opportunities in industrial park development, power generation, construction, textile and mining. Members of the delegation were reminded of the good relations and political ties that exist between the People's Republic of China and the Federal Democratic Republic of Ethiopia. Ethiopia today is witnessing the same economic impetus as China witnessed some 30 years ago. Its economy has grown tremendously in the past few years and the 11% annual growth, arising largely from the good performance of the agriculture and manufacture sectors, reflects on the good policy measures implemented by the Government as well as its constant support to the private sector and in particular to foreign investors investing in Ethiopia. The delegation was also reminded that Ethiopia has the second largest market in Africa with a population expected to rise to 150 million by 2025.

The delegation was also briefed on the special attention the Government gives to Chinese investment in Ethiopia and the government's future plans to bolster these relations by creating a special department dedicated to Chinese investment in the Ethiopian Investment Commission. There are also plans to open a branch of the Ethiopian Investment Commission in Beijing. The delegation was reassured of the support of the leadership for their investment in the country. As an example of the good relations between the two countries, the delegation visited the Eastern Industrial Zone in Bishoftu, the first privately funded Chinese industrial park in Ethiopia; they also visited a potential industrial park development zone in Hawassa in the Southern Region.

The Chinese Council for Promoting South-South Cooperation is a national non-profit organization subject to the operational guidance by the competent department of the People's Republic of China's Ministry of Foreign Affairs. It was created in August last year with the mission of helping Chinese companies invest abroad in the fields of economics, culture, education and technology. It includes recently retired ambassadors and seniors diplomats as well as members from the Chinese business community.

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### ***Ethiopia extends diversification of green energy sources***

Ethiopia is continuing to extend its green energy with the inauguration on Monday (May 18) of its third wind farm, Adama II. This, believed to be the largest wind farm in Africa, is set to produce 153mw. It is a continuation of the Adama I Wind Farm project, the first to be completed in 2012, which has a 51mw capacity. Both projects were built by Hydro China and CGOC, costing respectively US\$345 million and US\$117 million. The Chinese Exim Bank provided 85% of the finance in each case, and the Government and local sources the remainder. The second wind farm to become operational was the Ashegoda Wind Farm, inaugurated in October

2013 at a cost of \$289.7 million, which will have a capacity on 120mw on completion of its third phase. This, in Tigray Regional State, was built by the French firm Vergnet SA with concessional loans from BNP Paribas and the French Development Agency, with the Government covering 9%. Ashegoda is the second windiest place in Ethiopia next to Adama south of Addis Ababa, with average annual wind speeds of 8.5 m/s and 9.4 m/s, respectively, at a height of 40m above ground level. The inauguration of Adama II raises the country's power generating capacity from wind to 324 mw.

Inaugurating the Adama II Wind Farm, Prime Minister Hailemariam said the project demonstrated importance beyond energy production, noting the involvement of Ethiopian research institutions which he added "should be fully engaged in the research that underpins development". Both Adama and Mekelle Universities were involved in the project, providing consultants at various levels. This, the Prime Minister said, was an indication of the way research could assist in problem solving and improve Ethiopia's own capacity. He said the Government was ready to involve university staff seriously in similar projects.

The Prime Minister made similar points to the US-Africa Energy Ministerial meeting held in Addis last year under the theme of "Catalyzing Sustainable Energy Growth in Africa." He told the meeting that energy was intertwined with inclusive and sustainable development and entailed the mutual relationship of economic development and the transformation of energy infrastructure. He underlined that Ethiopia had defined energy as a catalyst for development of all spheres of economic activities including agriculture, industry and services. He identified one of the main reasons for Africa's low access to modern energy services as the private sector's reluctance to support long-term energy investments in Africa, as well as financial, technical and institutional capacity constraints and hurdles and the incapacity of African governments to create favorable conditions to attract long-term energy investment.

The Prime Minister spoke of Ethiopia's own strong attachment to the development of clean and renewable energy sources to make the way forward towards a more prosperous, sustainable and efficient future. The development of clean and renewable energy sources, he said, would help Ethiopia comprehensively harness its enormous potentials of geothermal power, hydropower, wind farming, biomass and solar energy, and significantly reduce the financial expenditure on fossil fuel imports. It would also allow it to take adaptation and mitigation measures to tackle the adverse repercussions of climate change and help slow the warming of the planet. The country's innovative policies and investment measures to develop renewable energy sources added momentum to efforts to reduce greenhouse gas emissions and tackle climate change. Energy is not, he said, just a service; it is a strategic factor, pointing out that the "state has an interest in ensuring that there is adequate, affordable and reliable supply of energy services" deploying modern energy services as a development instrument rather than as "an ordinary commercial service." He emphasized that Ethiopia particularly valued its energy resources as "a catalyst for regional integration" and for the concept of a well-connected Africa, noting that it was determined to live up its promises to make energy resources the locomotive for the integration, unity and solidarity of Africa.

Ethiopia launched its Climate Resilient Green Economy (CRGE) policy as an integral part of the Growth and Transformation Plan (GTP) and the aim of producing a low carbon-free middle-income economy by 2025. The intent is to develop a green economy to enable the country to strengthen its adaptive capacity to deal with the effects of climate change. It is fully aware of the impediments that conventional development paths cause with their unsustainable use of natural resources. Over recent years it has registered unprecedented and continuous growth as a result of policies and strategies carefully tailored to respond efficiently to the relevant socio-economic context. The Climate Resilient Green Economy strategy is another positive step to respond to the threat of the impact of climate change and build an economy for sustainable development.

Ethiopia believes it will not only be able to meet its own energy demands from clean sources but will be able to play a positive role in creating an energy infrastructure in the region by exporting this. Significant exports of renewable energy to an increasing number of neighbors will start in 2018 as part of a cross-border effort to meet regional energy demand and limit increases in climate-changing emissions. Currently, Ethiopia is exporting some power to Kenya, Sudan and Djibouti, and Kenya will be a significant beneficiary of the new \$1.8 billion Gilgel Gibe 3 dam on the Omo River, set to start energy production in June. Under an Eastern African Power Pool initiative that aims to expand clean energy transmission lines among about a dozen countries in the region, Ethiopia will take on a bigger role as a regional power exporter. It has signed deals to investigate possibilities of export for Tanzania, Rwanda, South Sudan and Yemen.

In the CRGE the Government has identified four major economic pillars to underpin the ‘Green Economy’ strategy: improving crop and livestock production practices to allow for better food security and higher farmer incomes while reducing greenhouse emissions; protecting and re-establishing forests for their economic and ecosystem value, specifically including an increase in carbon stocks; expanding electricity generation from renewable sources of energy for domestic and regional markets; and leapfrogging to modern and energy-efficient technologies in the transport, industrial and construction sectors. As part of this strategy, the government also selected four areas for fast-track implementation: exploiting Ethiopia’s hydropower potential; large-scale promotion of advanced rural cooking technologies to minimize the use of charcoal; large scale efficiency improvements to the livestock value chain; and reducing emissions from deforestation and forest degradation (REDD).

On power, the emphasis is on expanding electricity generation from renewable energy sources for domestic and regional markets. According to the Growth and Transformation Plan, by 2020 the country aims to provide 15,000mw of electrical generating capacity, including 1,500mw from wind energy, 11,000mw from hydropower, 1,200mw from geothermal, 300mw from solar and 600mw from co-generation. In fact, a total of over 30 potential sites for wind farms have been identified for long term development with a possible output of over 5,000mw. More immediately four sites are under study for development during GTP II which will be launched later this year. These are The Aysha Wind Farm (300mw); the Mesebo-Harena Wind Farm (42mw); Assela Wind Farm (100mw) and the Debre Berhan Wind Farm (100mw).

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### ***Next week's election for the President of the African Development Bank***

The African Development Bank (AfDB) operates under the leadership of the President, who serves as the legal representative of the Bank, the Chairperson of the Board of Directors, and the Chief of Staff of the Bank. The President conducts the current business of the Bank, under the direction of the Board of Directors. The President is elected by the Board of Governors and serves a 5-year term, renewable once. The Rules of Procedure Governing the Election of the President of the African Development Bank (Article 1), as amended, require that the Bank hold the election of the President during the Annual Meeting closest to the end of the term of office of the serving President. Accordingly, the Board of Governors will be electing Dr. Kaberuka's successor on 28 May 2015, during the Bank's Annual Meeting, scheduled to take place in Abidjan, Côte d'Ivoire, from 25 to 29 May 2015.

Eight candidates are competing for the presidency of the Bank to replace outgoing President, Dr. Donald Kaberuka. One of these is Sufian Ahmed, Minister of Finance and Economic Development of Ethiopia, a central player in the economic growth of Ethiopia where he has accumulated immense experience, and has a lot to share with others. As Ethiopia's Finance & Economic Development Minister since 1995, he had overseen Ethiopia's growth at more than 10% over the last decade, among the fastest on the continent. Inflation is under control and investors oversubscribed Ethiopia's first ever one billion dollar Eurobond issue by 260%.

His vision for the continent prioritizes three important points: financing infrastructure, agriculture and support for private sector growth; bringing world class advisory capacity to support nations affected by conflict and building an enabling environment; and investing in high quality management and operations, through an approach built on empowerment, delegation, and accountability, with the Bank focused on effectiveness, value for money and minimizing costs.

Governance in Africa has been improving steadily, economic reforms are bearing fruit and growth comes from a broader base than ever before, including sectors like manufacturing, telecoms, banking, construction and retailing. Inflows of private investment are surging ahead. Many African countries are dealing with the problems caused by weak commodity prices. Conflict prevention and resolution remain major priorities and long term risks like climate change are becoming more and more of a concern, but the continent is proving more able than ever to cope with these challenges, and to lead its own response. Ato Sufian wants the African Development Bank to play the fullest possible role in taking advantage of the extraordinary opportunities that are now visible all around Africa.

With the Millennium Development Goals due to expire at the end of this year, Africa has already played a powerful role in shaping the new Post-2015 Sustainable Development Goals (SDGs) that will take their place. The SDGs will maintain the MDG focus on poverty reduction, and social sectors. It is also welcome that they are likely to say much more than their MDGs about growth, jobs, and productivity. But, as Sufian stresses, aspirations on what we want to achieve will only mean anything if we are ambitious on ways to achieve them. With the Financing for Development Conference in July, The AfDB has a pivotal role to play in ensuring that Africans

capitalize on the opportunities, and use Africa's growing capacity to lead, in order to ensure that the new global development agenda works for the betterment of the continent.

Sufian regards the AfDB as first and foremost a financing institution, and it is in this area that it can, he believes, play the most decisive difference for Africa. It has a strong foundation from which to build, with a healthy balance sheet and a triple-A rating. At the same time, it should Sufian believes, resist the urge to get involved in too many areas, but rather focus resources on the areas where it has the most comparative advantage and will get the best rates of return. Infrastructure makes up 38% of the AfDB's lending, and Sufian wants to see this as the Bank's top priority. In particular, he believes the Bank's Africa 50 Infrastructure Fund could become a major global player in leveraging private sector investment as a way of dramatically accelerating the pace of change in energy, transport, ICT, and water.

Although agriculture accounts for 30pc to 40pc of Africa's gross domestic product, nearly 60pc of foreign exchange earnings, and the primary livelihoods of nearly two thirds of African people, the continent still missed out on the 20th century 'Green Revolution', which focused on Latin America and Asia. However, he argues, Africa now has the opportunity to be the epicenter of a 21st century equivalent that can double food production while halving resource intensity. In Ethiopia, he says, "we are at the forefront of the challenge, with agriculture accounting for 41% of the GDP and 90% of exports." Ethiopia has delivered on the Maputo Declaration commitment to allocate at least 10%pc of the public sector budget to agriculture, and as a result has surpassed the Comprehensive Africa Agriculture Development Program target of raising agricultural productivity by at least six percent a year. With many initiatives focused on helping African agriculture - the New Alliance, GAIN, Grow Africa, AGRA etc- Africa now has a critical opportunity, but it needs a more coherent approach, higher spending from its governments, and in particular a major focus on improving the extension services that can bring innovations from laboratories to fields. If elected, Sufian will argue for agriculture as another key priority area.

Private sector development can provide 60% of GDP in developing countries, 80% of inward capital flows, and 90% of jobs on average. Africa has certainly nurtured a wealth of private sector success stories over the last decade, to the extent that investors now talk of Africa's "lion economies" just as they once spoke of Asian tigers. At the same time it is necessary to ensure private sector growth results in real and inclusive development, with businesses playing by the rules and paying their taxes. Sufian wants to see the AfDB as a world leader in working with the private sector - in particular through the use of new hybrid approaches that focus on partnering, blending, risk-sharing, using international public finance as a means of leveraging additional private sector capital, and public-private partnerships. Similarly, he sees the Bank's approach to those African states emerging out of fragility as important. It can provide assistance on trade, infrastructure, rehabilitation and prevention of further instability. Addressing fragility effectively means building resilient states and societies through inclusive and equitable patterns of growth and development.

The recent report of the UN's Intergovernmental Committee of Experts on Sustainable Development Financing noted there is no shortage of capital in the world looking for yield, with global savings currently at around 22 trillion dollars a year. There is, however, a lack of

'bankable projects' in developing countries that can compete with other investment opportunities. Changing this is all about capacity development, increasing resources available for project preparation and feasibility studies, helping to ensure a steady pipeline of 'shovel-ready' investment opportunities all over Africa. Africa needs more capacity support available to build powerful enabling environments that will attract investors and highlight long term growth potential. In all this the Bank can play a major and active role.

Sufian believes the Bank needs to become a centre of excellence in supporting fragile and conflict-affected states. Prospects for eradicating poverty by 2030 will be heavily constrained unless faster progress is made in these environments. Despite all the challenges and problems, Africa also has many success stories. Making the AfDB a partner of choice for countries as they navigate these challenges is about the quality of its staff and organization. Today, African governments have more options than ever before on how to finance their development. The AfDB cannot sit on its laurels or take its role for granted. It needs to compete and to command confidence and show shareholders that it is using their resources prudently. Sufian says he has a strong conviction that Africans can claim their position in the world by strengthening their unity and unleashing their power and potential for the prosperity of the continent and its people – the AfDB will have a major role to play in this.