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News in Brief:

Ethiopia

Prime Minister Hailemariam Desalegn met the President of the Puntland State of Somalia, Abdirahman Mohamed "Farole" on Tuesday (September 3). The Puntland President had had a working dinner with Foreign Minister Dr. Tedros Adhanom the previous evening.

Prime Minister Hailemariam, Chairperson of the African Union, left for the G20 summit in St. Petersburg, Russia on Wednesday (September 4). The focus of the Summit is on development and employment creation as well as combating international tax evasion and tightening financial regulation. Russian President Vladimir Putin told world leaders that "Our main task is returning the global economy towards steady and balanced growth. This task has unfortunately not been resolved."

Hundreds of thousands of residents of Addis Ababa demonstrated against radicalism, fundamentalism and terrorism in Meskel Square on Sunday (September 1) (**See article**)

The Government of Norway and the World Bank signed two agreements on Friday (August 30) to provide financing for sustainable land management, climate-smart agriculture and forest protection in Ethiopia. (**See article**)

A week-long meeting of senior staff of the Ministry of Foreign Affairs opened (September 2) to discuss the current status of Ethiopia's foreign relations, the identification of challenges and proposed solutions.

Meetings of the Joint Technical Defense Committee of Sudan and Ethiopia were held in Addis Ababa (August 31 to September 2), attended by experts, Chiefs of Staff and Ministers of Defense.

Turkish Foreign Minister, Ahmet Davutoğlu, speaking at the opening of the African Strategies Sectoral Evaluation Meeting in Ankara on Monday (September 2) said Turkey was preparing to create a Turkish industrial zone in Addis Ababa

The Ministry of Industry signed an agreement with the Chinese Association of Industry Zones for the construction of a new Economic Zone in Dire Dawa.

Ethiopia secured over three billion US dollars in revenue from foreign trade during the recently concluded budget year, according to the Ministry of Trade.. The export revenue gained during the reporting period exceeded by US\$59.8 million the amount gained from then previous year.

Djibouti

The African Development Bank (AfDB) and the Government of Djibouti on Monday (August 26) signed funding agreements, totaling US \$7.5 million, for geothermal exploration project in the region of Lake Assal. **(See article)**

A delegation of Parliamentarians from Kenya and Ethiopia paid a working visit to the IGAD Secretariat in Djibouti this week where they met with IGAD's Executive Secretary, Ambassador Mahboub Maalim. The delegation included the Chairman of the Kenyan Parliamentary Defense and Foreign Relations Committee and the Deputy Speaker of Ethiopia's House of Federation.

Eritrea

On Sunday (September 1) the ruling People's Front for Democracy and Justice in Asmara marked the 52nd anniversary of the launching of the armed struggle for independence in Eritrea with a call to affirm the resolve to persist in struggle and to reinforce the Front.

Kenya

Nigerian President Goodluck Jonathan started a three day visit to Kenya on Thursday (September 5) at the invitation of President Uhuru Kenyatta. The visit is intended to further boost bilateral cooperation between Nigeria and Kenya, initiated during President Kenyatta's visit to Abuja in July this year.

The Kenyan parliament was recalled Thursday to debate on membership in the International Criminal Court (ICC) ahead of the trial of Deputy President William Ruto due to start at the Hague next week. The MPs voted to withdraw from the ICC.

Somalia

Somali President Hassan Sheikh Mohamud opened a national conference on Somalia's political future Monday (September 2) in Mogadishu on the theme "Vision 2016: Transitioning Towards Democracy". **(See article)**

The Special Envoy of the UN for Somalia, Mr. Nicolas Kay, told the Vision 2016 conference that the UN would use its good offices to support the Federal Government's peace and reconciliation process. **(See article)**

Somali Prime Minister Abdi Farah Shirdon arrived in the Kingdom of Saudi Arabia Friday night (August 30) for his first official visit to the Arab world.

A Somalia Council of Ministers meeting, chaired by Deputy Prime Minister Fowzia Yusuf on Thursday (September 5), expressed concern over the tightened international banking regulations for Somali money-transfer companies and called on Barclays Bank and other international banks to maintain the legal remittance system, a lifeline for many in Somalia and the Horn of Africa.

Although the number of people classified as 'food insecure' in Somalia (870,000) is the lowest since the 2011 famine, the Food Security and Nutrition Analysis Unit for Somalia says 2.3 million, a third of Somalia's population, are still "stressed"; their food security remains "fragile".

Somali National Army officers and commanders from the Ahlu Sunna wal Jamaa militia re-opened a military base in Galgadud region (August 31) The re-opening follows Ahlu Sunna's announcement Friday that it would merge with the national army.

Somali President Hassan Sheikh Mohamud received the credentials of the new Ethiopian Ambassador to Somalia, Ambassador Wondimu Asaminew, on Saturday (August 31).

UN Secretary General Ban ki-Moon, addressing the UN Security Council (September 3), asked the international community to contribute armed troop transports, fighter helicopters, and other forms of support to AMISOM.

AMISOM concluded a two week-long training on understanding and compliance with International Humanitarian Law and Human Rights for officers of the Somalia National Army on Friday (August 30).

South Sudan

The investigation committee set up by South Sudan President Salva Kiir to investigate transfers of funds has recommended criminal proceedings against former cabinet affairs minister, Deng Alor Kuol, but said it found no evidence of criminal responsibility by former finance minister, Kosti Manibe Ngai.

Sudan

Meeting with South Sudan President Salva Kiir who visited in Khartoum (September 3), President Omar Hassan al-Bashir announced that Sudan would continue to allow South Sudan to export its oil through northern pipelines and Port Sudan port. (**See article**)

President Salva Kiir visits Khartoum: Oil shipments to continue

South Sudanese President Salva Kiir paid a one day visit to Khartoum on September 3. Sudanese President Omar al-Bashir after his meeting with President Kiir announced that "South Sudan's oil will continue to flow through Sudan's pipelines and emphasized that "We are committed to implement the agreements signed by the two countries." President Al-Bashir said "We want to leave the problems of the past behind us and open a new page for the benefit of the two people." He described President Kiir's visit as a turning point in the relations between the two countries as it succeeded in removing the problems hindering the progress of the relations between the two countries: "All obstacles are now dislodged and there will be total coordination between the two countries."

In the joint communiqué issued at the end of the meeting, the two sides affirmed importance of continuing effective and constructive dialogue for resolving the pending issues between them, which include Abyei and border issues. They emphasized the importance of reaching an immediate agreement on the formation of the transitional civil institutions in Abyei area to pave the way for the Presidents of the two countries to reach a final solution. They expressed hope that the outcome of President Kiir's visit would represent a remarkable sign and a strong push for the relationship between the two countries. They also expressed gratitude for the support and encouragement of the international and regional communities for their efforts at normalizing the relations between them.

In his statement, President Al-Bashir highlighted the major role undertaken by the AU mechanism to remove the obstacles in the implementation of previous agreements and stressed the need for the two countries to cooperate in full with the mechanisms referred to in the proposals put forward by the AU High Level implementation Panel. These include the zero line determination mechanism and the mechanism for stopping support and harboring for rebels. President Al-Bashir said the determination of the zero line was important for the security of the two countries, the exchange of benefits and for movement of nomads across the border. He said the need to stop support for and harboring of rebels was an important issue for confidence building between the two countries. President Kiir reiterated South Sudan's denial that it harbored anti-Khartoum rebels and said he was willing to undertake steps that would alleviate Sudan's concern: "We received accusations by Khartoum but according to the reality our country does not support opposition movements and does not provide them [with] shelter and I am ready to fulfill my promise in this regard."

With regard to pending issues especially the matters of Abyei and the border, President Al-Bashir said the solution must be acceptable to all parties to ensure peaceful coexistence among everybody and all in area. This, he said, underscored the importance of the additional efforts to establish interim civil institutions to pave the way for a final settlement of the issue. Abyei itself, however, was not on the agenda of the Summit but only came up as references during speeches, with President Al-Bashir referring to the formation of a joint administration and President Kiir stressing the need to form a referendum commission. President Kiir also made it clear he wanted resolution of the dispute on the basis of the AU proposals and urged Khartoum to accept these. Both agreed on the importance of swiftly forming civil institutions in Abyei.

President Al-Bashir pointed out that issues of Abyei and the joint border would be solved through dialogue. He called on the Foreign Ministers of the two countries to sponsor the cooperation between the two countries so that they would not depend on foreign support to solve their issues. He said that he and President Salva Kiir will cooperate to lead the two countries to horizons of cooperation and to meet the aspirations of the two peoples who are, he said, still morally united. He added that the borders of Sudan will be dedicated to cooperation, exchange of benefits and movement of citizens without hindrances. President Al-Bashir expressed his government's commitment to immediately embark upon demarcation of the border in accordance with the cooperation agreements signed between the two countries. He urged joint efforts to facilitate the mission of the African experts relating to disputed areas. President Kiir made it clear he fully accepted this, and called for both sides to benefit from the African experts team selected by the African Union for demarcation of the border and the zero line.

President Al-Bashir, who pledged to President Kiir that Sudan will abide by all agreements reached with the South after its independence in 2011, also proposed the formation of a higher ministerial committee to supervise the work of the 30 committees already set up to implement the cooperation agreements between the two countries. The two parties reiterated their pledge to work together with the international community to obtain debt relief for the more than \$40 billion in debt that has yet to be divided following the independence of South Sudan.

President Salva Kiir for his part urged the two countries to "close old chapters and open a new page". He also called for the reopening of borders between the two countries for trade, based on the September 27, 2012 agreement. President Kiir noted the importance of the two countries agreeing to stay committed to the matrix they had signed in March this year, and that summit meetings between the two sides should continue to reach logical solutions for outstanding issues, including Abyei and the border. He affirmed South Sudan's readiness to implement all agreements including the cooperation agreement, stating that peace and security should prevail to achieve the aspirations of the people of the two countries.

On the sidelines of the Summit, South Sudan Oil Minister, Stephen Dhieu Dau, met his Sudanese counterpart, Dr. Awad Ahmed Al-Jaz, and said Sudan and South Sudan have a historical opportunity to establish a strategic and integrated relationship to achieve joint economic benefits as a basis for further integration of the region. Stephen Dhieu Dau avowed that there would be no retreat from maintaining relations between the two countries and working to resolve pending issues through peaceful means. Khartoum had announced on July 7 that it would halt the flow of South Sudanese crude oil through Sudan pipelines to international markets, accusing South Sudan of deliberately breaking a cooperation agreement signed in September, and of harboring and supporting rebel groups.

Following this announcement by Khartoum, the Chair of the AU High-Level Implementation Panel, former President Thabo Mbeki, proposed the establishment of the Ad Hoc Investigative Mechanism (AIM) to address the repeated allegations made by Sudan and South Sudan that each was supporting the other's rebel groups which aimed either to overthrow the Government or to cause mayhem and destruction with serious humanitarian consequences for the civilian population. The Commission of the African Union and Ethiopia in its capacity as Chair of the Intergovernmental Authority on Development then launched on July 22 the Ad Hoc Investigative

Mechanism into the allegations. A meeting of the Head of the African Union High-level Implementation Panel and Ethiopian Foreign Minister Dr. Tedros Adhanom four days later with President Al-Bashir secured postponement of the closure of the oil pipeline. It also facilitated encouragement of the current effort to resolve impasse between Sudan and South Sudan, as both Presidents made clear during their meeting.

The two sides signed a Memorandum of Understanding to establish a joint council of businessmen from the two countries, and the Sudanese Businessmen Union and South Sudan's Trade, Industry and Agriculture Chamber will organize a meeting for businessmen of the two countries later this month in Jubba. The Chairman of the Sudanese Businessmen Union, Saud Alberair, said the two organizations had held a meeting on the sidelines of the Summit which he said reflected positive signals about qualitative progress in the economic and trade relations between the two countries. The planned business meeting would discuss obstacles hindering the trade exchange and the easy flow of goods, services and investments between the two countries. It would be attended by economic authorities of the two countries, including representatives of Trade Ministries, Ports, Customs, Standards and Meteorology, banks and other economic and financial institutions.

Somalia's National Conference on Political Process and Vision 2016

Somali President Hassan Sheikh Mohamud officially opened the National Conference on Political Process and Vision 2016 in Mogadishu on Monday (September 2). The conference, being held all week, was attended by the Deputy Prime Minister, ministers, diplomats, parliamentarians, and others including the Special Envoy of UN for Somalia, Mr. Nicolas Kay. In his opening address, the President told those attending that Somalia was on course to hold a general election in 2016 and there would be no attempts to extend the term of parliament or of anybody else. He said, "by end of the term of the current Federal Government of Somalia (in September 2016), there will be no attempts for extension of mandate whatever the excuse." He said that there must be no excuses claiming that government assignments had been organized by the presidency.

The conference focused on a number of themes including the development of the federal constitution, federalization, resource sharing and good governance, and Mr. Nicolas Kay, the Special Envoy of the UN Secretary General for Somalia and the Head of the UN Somalia Office (UNSOM) promised his full support for what he described as a very important conference. He told the conference that international community had given the UN Assistance Mission in Somalia (UNSOM) a very clear and strong mandate, which he said was particularly relevant to the meeting. He mentioned he had two tasks in particular. One was to use the UN's "good offices" functions to support the Federal Government's peace and reconciliation process; and secondly to support the Federal Government by providing strategic policy advice including on the development of a federal system, the constitutional review process, and subsequent referendum on the constitution, and preparations for elections in 2016. He underlined that a political process in Somalia that was broad and inclusive, that aimed to review and complete the constitutional process, and prepare for credible, free and fair elections in 2016 had the full

support of the United Nations, and he saw the conference as an important initiative to move down a critical but essential path – the path towards genuine democracy. The United Nations, he said, supported the objectives of the conference, including the development of a vision, and concrete ideas, to move Somalia towards that democratic objective by 2016.

Mr. Kay said there were three principles guiding his work. First was the principle of Somali ownership and leadership as was underlined a year earlier when the country reached a turning point with the election of a representative and fully legitimate federal Parliament, Speaker and President. This paradigm shift is going to be given concrete form shortly in the New Deal compact which will be presented at the EU/Somali conference in Brussels on September 16 where there will be Somali owned, Somali led peace and state building objectives. The second principle is that Somalia is not and should not be alone. The international community, he said, has had a mixed history in Somalia since 1991 but over the last two years as conferences in London, Istanbul, New York, Rome and Japan have demonstrated a strong and united international commitment to Somalia has appeared, as has been demonstrated by the presence and sacrifices of AMISOM. In addition the international community has also helped to tackle piracy and alleviate famine. The UN, he noted, had persevered with humanitarian and development work, he noted, and there are now 760,000 Somali children attending UNICEF sponsored schools; 1.4 million people have been assisted in the first half of 2013 by WFP. 4 million have been vaccinated against polio. Mr. Kay said his third guiding principle is that a political problem needs a political solution, and the over-riding challenge in Somalia was political. He said with 22 years of conflict, power and control of resources and revenue had fragmented, a centralist state had ceased to exist and that was why people had decided a federal model was the only system that would work today. The task was how exactly Federalism would work in practice and how to share power, revenue, resources and responsibilities in a way that benefited all Somalia.

In conclusion, Mr. Kay said he was optimistic because Somalis had all the skills to solve complex political problems including a love of debate; a strong sense of justice and fairness that put emphasis on reconciliation and mutual respect; and great abilities and dedication. He was also impressed by the growing sense of urgency. To review the constitution, hold a referendum and then elections by 2016 was, he said, a mighty hill to climb but the pace was increasing. Some key laws had been drafted and commissions established. The Jubba issue had at last been addressed. The New Deal compact is nearly ready and consultations have taken place in Baidoa, Garowe, and in Mogadishu. Equally, he emphasized, more needed to happen and the conference this week was an essential part. He said if the delegates decided each theme needed a separate conference, the UN would be happy to support them, possibly in holding thematic conferences in each of the major cities of Somalia. He emphasized again that as the Federal Government moved Somalia towards a genuine transition to democracy, the United Nations stood ready to support it in all aspects.

Meanwhile, the UN Secretary General, Ban ki-Moon, told the UN Security Council earlier this week that the political, security and development gains made so far in Somalia, which he welcomed, were “still reversible, [and Al-Shabaab] continues to undermine security throughout the country, including in Mogadishu.” In his latest report to the Security Council, the Secretary General said the situation in Somalia was still fragile and that it could slide back into being a failed state. He called on U.N. members, including African countries not yet involved, to provide

the African Union-led peacekeeping force (AMISOM) with attack helicopters, armored troop carriers and other support to root out Al-Shabaab. He added that “allowing Al-Shabaab to continue its training and conduct terrorist activities from bases in Somalia will not only undermine peace in Somalia, but also that of the wider region.” Al-Shabaab attacked the U.N. compound in Mogadishu on June 19, killing a U.N. Development Program staffer, the U.N. contractors, four Somali guards and at least six Somali civilians. It was the first direct attack on a U.N. building in Somalia since 2008. Since then, the international NGO, Medicines Sans Frontieres, has pulled out of Somalia because of the continuing and increasing security problems.

International responses to the agreement on the Interim Jubba Administration

Last week a historic agreement was signed between the Federal Government of Somalia and the Interim Jubba Administration. The deal that was brokered and guaranteed by Ethiopia as chair of IGAD was signed after tough weeklong negotiations here in Addis Ababa as we reported last week. President Hassan Sheikh Mohamud of the Federal Government of Somalia in a meeting with the Special Representative of the UN Secretary General for Somalia and other members of the diplomatic corps in Mogadishu subsequently described the Agreement reached in Addis Ababa, as “a huge achievement and both delegations showed a spirit of compromise and search for consensus. The Somali people have welcomed this Agreement which will pave the way to further reconciliation efforts. I would like to express the Federal Government’s commitment and intention to launch the reconciliation conferences in Mogadishu and Kismayo with a view to complete the formation of the Interim Jubba Administration.” The President further urged “the international community to support Somali-led and Somali-owned processes of reconciliation.” He also expressed his appreciation of Ethiopia’s efforts: “I would like to mention the exceptional effort put in the process of the negotiation by the Ethiopian government, the Prime Minister Hailemariam Desalegn and specifically the role played by Dr. Tedros, Ethiopia’s Foreign Minister, over the last ten hectic days and nights that he spent in the rooms of hotels. I am very much grateful for that.”

The Chairperson of the African Union, Dr. Dlamini Zuma, in a statement released after the signing of the agreement lauded it as an “historic Agreement” which she said was “a further illustration of the capacity of Somalis to triumph over their differences.” The Chairperson also thanked Ethiopia for its “untiring efforts, the resources committed and for its dedication in facilitating the negotiations between the parties.” Similarly, the EU’s High Representative, Catherine Ashton, welcomed the Agreement describing it “as important not only for Somalia but also for the stability of the entire Horn of Africa region.” She said “the achievement has been possible thanks to the constructive approach of all parties and the leadership of President Hassan Sheikh Mohamud to pursue an agreement in the interest of the people of Somalia,” adding that “I commend the efforts of all those who have worked for this outcome, in particular the IGAD chair Ethiopian Prime Minister Hailemariam and the Minister of Foreign Affairs, Dr. Tedros Adhanom, as well as the Kenyan authorities, the UN and others.” The United States Government also commended the negotiating sides “for their constructive work and diligence to compromise on administrative and governance issues in the Lower Jubba, Middle Jubba and Gedo region,”

and expressed its appreciation of the efforts of the Ethiopian government for making the deal a reality.

The reactions of most Somalis and the international community towards the Agreement have certainly been positive, describing it as breakthrough in the efforts to stabilize Southern Somalia. The Mogadishu Heritage Institute for Policy Studies, for example, describes the Agreement as “a much needed break from a protracted stalemate between the two sides”. However, some of the comments by outside observers of the region and “Somali experts” have been rather less encouraging, trying to put a contradictory spin on the letter and spirit of the agreement. Nor have all been entirely clear about their critique. One comment describes the Agreement as splitting the difference between the two parties on all the issues it covers, and grudgingly admits “in that sense, it is a genuine compromise and, in consequence, would seem to break the deadlock.” However, it immediately adds “yet in splitting the difference, the Agreement leaves the adversaries poised to press their respective agendas against each other. The fundamental split between the S.F.G. and Jubbaland (now called the Interim Administration for Jubba) over centralized and decentralized federalism has not been overcome.” The reference to “adversaries” is, of course, deliberate and underlines the commentator’s determination to assume the worst. The same commentator, an American political scientist who regularly comments on Somalia from a distance, goes on to define each element in the Agreement as splitting “power between the adversaries in each of its articles with the balance shifting in favor of one side or the other depending upon the article”, adding “Yes, they compromised (under pressure).” Determined to underline his point, he adds later “the adversaries have been brought close together, so they are likely to switch their style of conflict to political trench warfare,” before concluding in defiance of the facts that “the conflict does, indeed, remain broad and deep, as the Agreement shows.” In conclusion, he also raises another issue wondering if “the external actors will keep up their pressure” and “do they see any role to play for themselves?” This, of course, is meant to be provocative as Dr. Weinstein has frequently tried to claim that Kenya and Ethiopia have agendas for which he has never been able to produce any evidence only his own fantasies. .

Another comment that saw little to welcome from the Agreement came from Martin Plaut, formerly of the BBC, writing in the weekly *New Statesman*. His interpretation sees the Agreement as creating another quasi-independent entity in the region. He also describes the Agreement as “a triumph for Somalia’s neighbors even though Kenya and Ethiopia will continue to vie for influence in this vital part of the country”. He suggests this will provide Kenya with a buffer zone, and that for Ethiopia “the establishment of Jubbaland is a further fragmentation of Somalia, its sworn enemy since the Somalis invaded their country in 1977”. Whether or not the Interim Jubba Administration will provide a “buffer zone” for Kenya, Ethiopia certainly doesn’t regard Somalia as a sworn enemy and never has. Nor is it determined “to see the end of a powerful, centralized Somali State” as Mr. Plaut suggests.

In fact, Ethiopia has been most adversely affected by the *collapse* of the Somali state 23 years ago. What it would like to see in Somalia, above all, is a functional Somali state which can control its borders, prevent cross-border infiltration or problems, offer a welcome to the more than half million refugees now in Ethiopia and Kenya, and, of course, a state that can control both the terrorism and extremism of Al-Shabaab and the activities of pirates. It is not alone in this. Ethiopia is also committed to the development of IGAD, which includes Somalia, as a

Regional Economic Community of the AU. It believes this is an area in which increased infrastructural development can play a major role in resolving the region's central problem of poverty. What sort of a government, Somalia creates is, of course, up to Somalis, but Ethiopia certainly agrees with what most Somalis now appear to feel: that the most obvious way forward is a federal state which can accommodate the interests of both the regions and of clans. The details of this remain for Somalis to work out, and in this sense, the Agreement between the Federal Government of Somalia and the Interim Jubba Administration is obviously a welcome step forward.

Certainly, many of the details have yet to be finalized. There is no doubt there will be further difficulties to be resolved, but detractors of the Agreement who appear to consider the mere fact of the signing as a recipe for disintegration of Somalia are exaggerating wildly. In fact, the Agreement makes it quite clear the interim administration will be a transitional mechanism and that when its term ends the peoples of Lower Jubba, Middle Jubba and Gedo will decide the future organization of the area through constitutional processes. It also makes it quite clear that the head of the Interim Jubba Administration will be accountable to the Federal Government. There are no indications that the region would be in any sense an independent sovereign state, nor, of course, has it ever given any indication that this is the aim. Any suggestion that the administrative unit will be out of the reach of the Federal Government is illusory. The port and airport at Kismayo will be under the Federal Government of Somalia within six months. This underlines the point that even in the interim period the details of the Agreement fall within the parameters of the Provisional Constitution of Somalia.

Nobody disputes that many of the more intractable problems facing Somalia, after the difficulty of dealing with Al-Shabaab which both sides in this Agreement accepted as *the* priority, are related to finalizing the federal arrangements on the ground. This, however, emphasizes that a dialogue which brings all actors into agreement in the preliminary stages should certainly be encouraged rather than looking all round behind to try to find non-existent and sinister motives. This Agreement, brokered by Ethiopia and other stakeholders, deserves praise as a regional initiative and as an Agreement fully owned by Somalis themselves.

Mayor of Addis Ababa, Deriba Kuma addresses mass demonstration

Following last week's three day National Conference on the theme "We shall strive to realize Ethiopia's Renaissance through strengthening the value of religious coexistence and respecting constitutional provisions" hundreds of thousands of residents of Addis Ababa staged a demonstration at Meskel Square on Sunday (September 01, 2013). They were showing their strong opposition to radicalism and demonstrating their condemnation of fundamentalism and terrorism. The demonstration which was called by the Inter-Religious Council was attended by residents of Addis Ababa's ten sub-cities, filling the square and all the major roads around. The demonstrators, waving Ethiopian flags and chanting slogans, denouncing religious extremism, vowed to defend the Constitution and fight against extremists operating under the guise of religion, declaring "Extremism is the sign of frustration"; "Our Constitution is the guarantee of our religion"; "Radicalism and extremism have no relationship with religious issues in

Ethiopia”; “The Government must take action on fundamentalists and terrorists”; “We want peace and peace only”, and other messages reflecting the popular resolve to fight against terrorism and fundamentalism.

A statement by representatives of the Inter-Religious Council asserted that the massive turnout was a testimony to the desire of Nations, Nationalities and Peoples of Ethiopia to maintain the country’s age-old tradition of religious tolerance and peaceful coexistence. The Inter-Religious Council which organized the demonstration has six members: the Ethiopian Orthodox Church, the Ethiopian Islamic Affairs Supreme Council, the Ethiopian Catholic Church, the Ethiopian Adventist Church, the Ethiopian Evangelical Church Mekane Yesus and the Evangelical Churches Fellowship of Ethiopia. Representatives of the organizations addressed the demonstrators called on the public to treat the issue with great care emphasizing that radicalism was against the security and peace of the nation. They confirmed that religion was the real agent of peace and peaceful co-existence, particularly among the various nations and nationalities and social groups in Ethiopia, and called on the demonstrators to wave farewell to radicalism.

The Mayor of Addis Ababa, Ato Deriba Kuma, also addressed the demonstration. He noted that past regimes had not respected peoples’ fundamental freedoms and rights to live together on the basis of equality, and had discouraged human and democratic rights as well as almost all religious activity. Ethiopia then had lacked democracy and had also stagnated. The peoples had responded to this situation dismantling these regimes and creating a democratic, all inclusive sustainable and mutually supportive system for ensuring respect for rights and freedoms, and eventually brought about the new Federal Democratic Republic of Ethiopia. This had adopted a Constitution which embraced the country’s diversity and ensured rights to self-determination, building a political and economic community founded on the rule of law and capable of ensuring a lasting peace guaranteeing a democratic order. The Constitution therefore incorporates the Universal Declaration of Human and Democratic Rights covering the rights of Women and Children, freedom of association and expression and other rights as well as ensuring the rights of the Nations, Nationalities and Peoples of Ethiopia to self- determination including the right to secession. The Government had implemented a program of decentralization to empower the people, designed and implemented policies supporting the values of peaceful coexistence and tolerance. Addressing grievances and challenges are central, the Mayor said, to cutting away support for fundamentalism and extremism. All this had contributed significantly to the development of sustainable peace in the country, promoting, accelerating and sustaining the socio-economic and democratization processes, rectifying historically unjust relationships and promoting shared interests. The result was that for the first time in Ethiopian history there was the right to freedom of thought, conscience and religion, and as a result all religions in the country, constitutionally and practically, have equal rights.

The Mayor emphasized that sovereign power now resided in the peoples of Ethiopia and all citizens, organs of state, political organizations, other associations and institutions as well as government officials had the duty to ensure observance of the Constitution. The Constitution, he went on, clearly showed the separation of state and religion: the state does not interfere in religious matters and religion does not interfere in state affairs. It allows full implementation of both individual and peoples’ fundamental freedoms and rights, and provides for their equality to live together on the basis of equality and without discrimination of gender, religion or culture.

Ethiopia, he said, is fighting aggressively to eradicate poverty, backwardness and diseases and transform the country. The country had grasped the necessity to implement rapid economic growth, democratization and good governance, all within a federal political system aimed to ensure human security for all the peoples of Ethiopia. This had helped the country to achieve an unprecedented double digit economic growth for the last decade, leading to the achievements of the current Growth and Transformation Plan.

The Mayor also pointed out that although the Constitution left no room for radicalism or extremism over the last two years, fundamentalists have tried to infiltrate the country despite the efforts made by the government to restrain and stop those who under cover of religious operations have tried to gain political power unconstitutionally. He said the Government believed the main solution for this was the realization of rapid socio-economic development, good governance and the deepening and strengthening of democratic processes. He said the peoples of Ethiopia had always successfully resisted external and internal threats. He warned those who might try to carry out undercover operations to gain political power under a religious mask that this was against the constitution. He told the demonstrators that his administration and the Federal Government would take all legal measures to curb radicalism. He called on all citizens, associations and religious institutions and their followers to maintain and to strengthen their collaborative efforts to denounce and unmask any undercover operations of religious radicalism and extremism. His administration, he said, would not let any person or group undermine the freedom of faith and culture of tolerance in the country.

The World Food Program empowers smallholder farmers

The World Food program is the world's largest humanitarian agency and it is able to use its procurement needs to boost agriculture in developing nations. In 2012, for example, it bought US\$1.1 billion worth of food for distribution, and more than 75 percent of that was acquired in developing countries. Recently it has expanded its purchasing efforts through a program called Purchase for Progress (P4P). This is devoted to procuring food from smallholder farmers with the aim of giving the farmers a greater incentive to invest in their farms.

It is actually one of a range of innovative programs delivering food assistance while strengthening the ability of communities to withstand drought or other difficulties. Its programs, as well as providing food during emergencies, include provision of cash or vouchers for training, and work on assets such as roads and dams as part of its drive to eliminate hunger and the causes of hunger. The Purchase for Progress (P4P) initiative is a core component of these efforts. In Ethiopia, as in other countries, WFP works with partners and governments to empower smallholder farmers, strengthen local economies and reinforce national self-reliance.

The UN Food and Agriculture Organization (FAO) estimates that around half of the world's hungry people are from smallholder farming communities, surviving off marginal lands often affected by natural disasters like drought or floods. Smallholder farmers in Ethiopia, Africa's second most populous state, typically tend to less than two hectares, and make up 70 per cent of the country's labor force. Through the P4P program, these smallholder farmers also receive

training in key techniques such as post-harvest handling, group marketing, agricultural finance and contracting. Ethiopia has one of the most ambitious P4P programs. One of the biggest deliveries - almost 19,000 metric tons of maize - was recently completed by P4P-supported smallholder farmers in 16 cooperative unions. "Our food assistance is reaching millions of people in Ethiopia every year, and if we can use our purchasing power to make long-term changes to build resilience in Ethiopia, then we will truly be useful here," says Abdou Dieng, Country Director for WFP Ethiopia.

The success of P4P deliveries in Ethiopia derives largely from the excellent partnership between all those involved in working towards agricultural transformation, including international donors such as the UK's Department for International Development (DFID), and Ethiopian banks. DFID contributed US\$ 6.5 million to WFP through a three-year allocation, which allowed forward delivery contracts to be signed with 16 cooperative unions. And as the Country Director said: "It is quite simple: without the three-year advanced contribution that we got from DFID, we would not have been able to do this." The head of DFID's livelihoods and humanitarian team, Shaun Hughes, noted that this kind of program was more cost-effective than other options: "It promotes local production and allows WFP to buy food at a better price than in the middle of a drought when prices are at their highest. It also makes sense environmentally as the food is produced nearby."

Banks have also played a critical role. The Commercial Bank of Ethiopia, WFP and the cooperative unions signed an agreement allowing the unions to obtain loans to purchase maize directly from the farmers. ACDI/VOCA, a USAID-funded economic development agency, helped negotiate and draft the contract signed with CBE. This was an innovation for Ethiopia but it will really help cooperative unions to learn how to draft such contracts, how to borrow money for the first deliveries and use the payments effectively for second round deliveries. It was also good experience for the bank in its relationship with small cooperative unions.

Last week, WFP and its Maize Alliance partners in Ethiopia renewed their agreement and launched an ambitious plan to purchase 40,000 metric tons of maize next year. The P4P Country Coordinator in Ethiopia, Mauricio Burtet, noted that the success of local food purchases in Ethiopia also came with the help of a strong supporting drive from the government. Maize has been identified as one of the key cereals for the Growth and Transformation Plan, under which productivity of major crops is planned to double. Smallholder farmers are essential to this strategy and the P4P approach, he says, fits well into this plan for all services including training in post-harvest handling facilities, storage, finance and access to stable markets.

Norway signs agreements with World Bank to support Ethiopia's climate change policies

Two agreements were signed between the Government of Norway and the World Bank on Friday (August 30) to provide financing for sustainable land management, climate-smart agriculture and forest protection in Ethiopia. One agreement will provide an additional US\$50 million to a trust fund to co-finance the Sustainable Land Management Program (SLMP II). This is aimed at reducing land degradation and increasing land productivity of smallholder farmers. Under SLMP

II, the Government of Ethiopia is building on the remarkable progress achieved during implementation of the program's first phase in reducing land degradation and increasing sustainable land and water productivity. Under SLMP I, which started in 2008, over 190,000 hectares of degraded communal and individual farmlands have been rehabilitated and agricultural productivity has improved in areas that were previously found to be less productive. SLMP II, a blended IDA credit (US\$50 million) and GEF grant (US\$14 million) with co-financing from Norway (US\$50 million), scales up earlier achievements.

Under the second agreement, Norway will provide US\$13 million through the World Bank's BioCarbon Fund (BioCF) to support Ethiopia's Climate Resilient Green Economy Facility and promote climate-smart agriculture, forest protection and land rehabilitation. Norway's contribution complements initial funding of US\$5 million from the United Kingdom's Department for International Development and ongoing financing from the Forest Carbon Partnership Facility. The ongoing process to reduce deforestation and forest degradation (REDD+), a key pillar of Ethiopia's fight against climate change, will be significantly strengthened with support from the BioCarbon Fund. This program will enable Ethiopia to fully finance its ongoing REDD+ readiness process and to develop a REDD+ pilot program at a Regional State level. It will also provide advisory services to the CRGE Facility, in particular to enhance access to climate finance for REDD+ and other land-based activities.

"These funds will allow Ethiopia to become ready for REDD+ and will provide for an ambitious landscape-level program to address the causes of deforestation in the most forested region of our country, while also promoting social benefits to local communities," said Sileshi Getahun, State Minister, Ethiopian Ministry of Agriculture. The BioCF's new initiative provides an important boost to the activities of the CRGE Facility, which was established by the Government of Ethiopia to spearhead national efforts to reach carbon neutrality by 2025.

Tove Stub, Charge d'affaires at the Royal Norwegian Embassy in Addis Ababa said "Norway is pleased to collaborate with the World Bank in supporting Ethiopia's ambitious efforts to fight land degradation, deforestation and climate change while promoting sustainable development in the land use sector." The programs have the potential to protect natural resource endowment and promote climate-smart land use to adapt and mitigate climate change and increase food security and resilience over a large area. Guang Zhe Chen, World Bank Country Director for Ethiopia, said the two initiatives would strengthen the Bank's partnership for Ethiopia's sustainable development. He said that the World Bank expects that these two initiatives, and others, would "contribute significantly to Ethiopia's efforts to deal with three of the most daunting challenges of our times: land degradation, deforestation and climate change." Mr. Chen also noted it was a good opportunity for the Bank to share its global expertise on climate finance to provide advisory support to the CRGE Facility, adding that "these two initiatives strengthen the Bank's partnership for Ethiopia's sustainable development."

The African Development Bank signs geothermal exploration deal with Djibouti

The African Development Bank and the Government of Djibouti have signed funding

agreements, totaling US\$7.5 million, for a geothermal exploration project in the region of Lake Assal. The Bank's Regional Integration Director Alex Rugamba said the exploitation of the geothermal potential of the Lake Assal region would enable the population of Djibouti to get access to a reliable, renewable and affordable source of energy. Currently Djibouti relies mostly on fossil fuels and some hydropower import from Ethiopia. The country's current generation capacity is mainly used in Djibouti City. The existing power stations are old, polluting and expensive to operate. Fuel imports are expensive and require significant foreign currency expenditure.

The financing agreement, signed on Monday (August 26), includes a grant of US\$5.3 million and a loan from African Development Bank's soft loan arm, the African Development Fund for US \$0.4 million. It also includes a grant of US \$1.8 million from the Sustainable Energy Fund for Africa. The contributions from the Bank and the Sustainable Energy Fund are expected to serve as a catalyst to raise more financing and rally support from independent geothermal electricity producers.

Speaking at the signing ceremony, Djibouti's Minister of Energy in charge of Natural Resources, Ali Yacoub Mahamoud, thanked the African Development Bank for "breathing new life into an old project". There have been plans to try to exploit this resource for over twenty years. Now with this agreement, the Government of Djibouti will be taking the lead on the first phase of the project, the exploration and appraisal drilling phase. The private sector will be responsible, in the second phase, for the drilling and for the steam gathering system as well as for electricity production and the linkage to the national grid.

Geothermal development has been getting a boost in East Africa in the past two years, and has been attracting more and more private investors because of the new financing schemes being put in place by development finance institutions like the African Development Bank. Youssef Arfaoui, Chief Renewable Energy Specialist, says innovative models have helped to overcome some of the risks associated with geothermal development. The most important is the cost of exploratory drilling which related to the high possibility of producing dry wells during the exploration and appraisal drilling phase. "By providing concessional finance", he said, "to the early stage and high-risk activities mainly related to exploration and drilling, the African Development Bank can pave the way for private investors to step in."

The African Development Bank has successfully used this model for the Menengai Geothermal Development Project in Kenya. This was supported by concessional financing to the tune of US\$150 million. The Menengai project, once completed, will increase the energy supply available in the country equivalent to an amount to supply current consumption for 500,000 Kenyan households and 300,000 small businesses as well as another 1,000 GWh for other businesses and industries.

The Lake Assal geothermal exploration project is much smaller but it will help expand geothermal development, by building regional capacity, to other countries in the region and more widely, including Ethiopia, Uganda, Tanzania and Rwanda, all of which have considerable geothermal resource development potential.

Somaliland plans increased air services in and out of Hargeisa

On September 1, Ethiopian Airlines inaugurated a B737 service to Hargeisa's Mohamed Ibrahim Egal International Airport newly refurbished and upgraded with an extended 2.4km runway. The airport's overhaul was largely funded by the Kuwait Fund for Arab Economic Development, and there are now plans to extend the runway by another 1.6km. In addition, according to the director general of the Ministry of Civil Aviation and Air Transport, Ahmed Dalal Farah, Berbera airport will be ungraded with a new terminal, 16km of security fencing and improved screening and baggage facilities.

According to Mr. Farah, Kenya Airlines is now poised to launch flights between Nairobi and Hargeisa. He said Kenya Airlines had agreed the opening of a direct flight subject to approval by commissioning teams who will be visiting shortly to assess the runway and look at safety and security concerns. These will have to satisfy Kenyan Airways as well as its operating partner, KLM. Somaliland is confident there will be no problem as the airport has just passed similar tests by Ethiopian Airlines. Mr. Farah added that Air Arabia, Yemen Airways and South African Airways were all considering new services to Somaliland. He said Air Arabia have approached the Ministry with an interest in making Berbera International Airport a commercial hub for destinations to western Africa; and that Yemen Airways was interested in opening flights between Aden/Sana'a and Berbera/Hargeisa. South African Airways, he said, was keen to have a stopover in either Hargeisa or Berbera for its flights between Johannesburg and Dubai. This would apparently be of interest to the large Somali communities living in South Africa. Earlier suggestions were put on hold because the Egal International Airport was under construction, but the Somaliland authorities now plan to try to resurrect the idea.

Mr. Farah also sees a number of other possibilities to increase in or out of Somaliland, including business people from the Middle East trading with China via Dubai; Nairobi-based humanitarian and development professionals working in Somalia and Somaliland and summer visits from the Somali Diaspora as well and Hajj travel to Mecca and Medina. There is also the possibility, he says, of growing trade cooperation with Ethiopia using Berbera Port for increasing amounts of imports and exports.

Somaliland reacted strongly to the UN when earlier this year it unilaterally announced it was handing over control of Somaliland airspace to the Government in Mogadishu on May 14. The United Nations took over responsibility for managing Somaliland's and Somalia's airspace following the collapse of the central government in 1991, and in 1996 the United Nations Development Program and the International Civil Aviation Organization jointly established the Nairobi-based Civil Aviation Caretaker Authority of Somalia to collect over-flight revenues for Somalia and Somaliland. The Somaliland Government's reaction to the UN decision was to ban all UN flights to Somaliland.

The issue was raised at the third round of talks between the Federal Government of Somalia and the Government of Somaliland which took place in Istanbul in July. The meeting only agreed on two things. One was continuing to hold talks; the other was the matter of air traffic control. It

was agreed that air traffic management for both Somalia and Somaliland should be handed over to a new joint control body to be based in Hargeisa. This would be responsible for the air traffic control of the whole area and it was also agreed that this body would be responsible for proposing a mechanism to provide for equitable revenue-sharing from the proceeds of the air traffic control. Somaliland subsequently reopened its airspace to UN flights.

Current air services include Jubba Airways flights from Hargeisa to Djibouti and Mogadishu, and Ethiopian Airlines from Addis Ababa to Hargeisa. African Express, Daallo Airlines and Jubba Airways also provide links with the UAE, Somalia and Saudi Arabia.