

A Week in the Horn (29.12.2017)

News in Brief

Fourth Consultation meeting between Ethiopian and Egyptian Foreign Ministers

South Sudan cease-fire went into effect on Sunday, December 24

Ethiopian agreements for construction of 1,000 MW of geothermal projects

UN envoy to Somalia welcomes adoption of the 2018 government budget

President Recep Tayyip Erdoğan of Turkey visits the Sudan

Dutch MPs again call for closure of the Eritrean Embassy in the Netherlands

News in Brief

Africa and the African Union

The United Nations General Assembly approved a budget of nearly US\$5.4 billion for the UN for the biennium 2018-2019. The budget covers UN activities across a range of areas, including political affairs, international justice and law, regional cooperation for development, human rights and humanitarian affairs, and public information. This is 5% less than the budget for the previous two-year period 2016-2017 and 193 million US dollars below the proposal made by the Secretary-General in October this year.

The UAE Mission to the UN and UN OCHA hosted a briefing at the weekend to engage Members States in evaluating the humanitarian situation and possible responses in the Horn of Africa. The UAE is partnering with OCHA to highlight options for the UN and donors to empower the region and its peoples to achieve the Sustainable Development Goals. The meeting looked at funding needs and innovative options to prevent and mitigate crises. The UAE has provided over US\$250 million of aid to the region since 2013.

Ethiopia

Prime Minister Hailemariam Dessalegn held talks with Egyptian Foreign Minister Sameh Shoukry who handed over a letter from President Abdel Fattah el-Sisi to the Prime Minister who is expected to visit Egypt next month for the next meeting of the joint Egyptian-Ethiopian Higher Committee.

Foreign Minister, Dr. Workeneh Gebeyehu, hosted Egyptian Foreign Minister Sameh Shoukry in Addis Ababa this week for the fourth Ethio-Egypt ministerial consultation. Discussions covered a number of issues including the Grand Ethiopian Renaissance Dam. **(See article)**

As we noted last week Ethiopian Electric Power has signed agreements with two private companies for two independent geothermal power projects, the Corbetti and the Tulu Moye projects. **(See article)**

OCHA's Director of Operations, Mr. John Ging, visited Ethiopia (December 12-14) to review the Government-led international humanitarian response to drought- and conflict-affected communities, including internally displaced people. He met with federal and regional officials, donors, humanitarian agencies and communities affected by drought and conflict. During his visit, he discussed implementation of cash-based assistance for targeted woredas/districts, the need to improve accountability mechanisms, scaling up ongoing response to IDPs, and investment in durable solutions for predictable pastoralist needs.

On 14-19 December 2017, the World Food Program, in collaboration with the National Disaster Risk Management Commission, organized an emergency logistics induction training at Adama, in the Oromo Regional State. It covered bottlenecks in the country, operational planning and enablers in logistics operation such as information management, coordination and reporting. Participants were drawn from government staff, line ministries and regional Disaster Prevention and Preparedness Bureaus, UN agencies and INGOs.

The Government-led multi-sector and multi-agency teams of relevant Government sectors and humanitarian partners were deployed in all nine regional states and Dire Dawa, November 18 - December 13, to assess the impact of the *keremt* (mid-year) rains and the short seasonal *deyr/hagaya* rains in the south and south-east. This will determine humanitarian requirements for Ethiopia in 2018. Currently Government and humanitarian partners are providing humanitarian assistance to 8.5 million people drought-affected as well as another 4 million people 'under the Government's Productive Safety Net Program.

More than 14,000 undocumented Ethiopian migrants residing in Saudi Arabia returned to Ethiopia between November 15 and December 21, after the Kingdom of Saudi Arabia finally started expelling undocumented migrants at the end of the last amnesty extension on November 16. The International Organization for Migration (IOM) said that more than 96,000 had returned to Ethiopia between March and December. The Government is working hard to repatriate all Ethiopian citizens. The Ministry of Foreign Affairs is also working with the Ethiopian Embassy in Cairo to protect citizens stranded in Libya, mainly in Tripoli and Benghazi. The exact number is not yet known.

The Turkish construction firm, Turkish Holding AS, has said it is planning to construct an industrial park in Ethiopia to focus on construction materials. It intends to start construction by mid-2018, and once operational, it would engage in ceramic production, steel manufacturing and pulp products. There are currently seven operational parks and Kilinto Pharmaceutical and Bole Lemi 2 will be commissioned early next year; Bahir Dar and Jimma hope to become operational in May, and Debre Birhan and Arerti Industrial Parks to start operations in June. The Ethiopian Industrial Park Corporation plans to construct 15 industrial parks to enable the manufacturing sector to contribute to 20% to Ethiopia's GDP and 50% of export volume by 2025.

Ethiopia earned more than US\$341 million from coffee, tea and spices exported between July and November 2017, of which 92,136 tonnes of coffee brought in US\$334.59 million. The Government plans to earn US\$1.18 billion this fiscal year (2017/18) exporting a total of 291, 000 tonnes of coffee, tea and spices.

The Federal Small and Medium Enterprise Manufacturing Industries Development Agency unveiled its Small and Medium Enterprises (SMEs) Finance Project on Thursday this week. With a budget of US\$270 million the project will increase access to finance for eligible small and medium enterprises will benefit from the five-year project, which will establish a credit facility for working capital and leasing finance for participating financial institutions as well as leasing finance for eligible SMEs.

The Ministry of Agriculture and Natural Resource unveiled a national seed strategy at the end of last week to help to improve quality and supplies of seed in the country. State Minister Tesfaye Mengiste said the Ministry planned to increase supply of seed in the country to 3.55 million quintals by 2020, nearly double the quantity available in 2015.

The Ministry of Construction said on Monday (December 25) that the country's road network had grown by 315% from 1997 to 2015, from 26,550 km to 110,414 km. Road density had increased from 24 km per 1,000 square km in 1997 to 100.4 km in 2015. The amount of good quality status roads had increased from 22% to over 70% in the same period.

The 120th anniversary of the establishment of diplomatic relations between Ethiopia and Russia was celebrated in Moscow at the end of last week. Ethiopia's Ambassador to Moscow, Ambassador Grum Abay, said the celebration would play a significant contribution in further strengthening government-to-government and people-to-people relations.

Ethiopia and Indonesia have signed an air service agreement, enabling Ethiopian Airlines to start flights to Jakarta. Abdisa Yadeta; Ethiopia's State Minister of Transport and Mr. Sugihardijo, First Secretary of the Ministry of Transport of Indonesia, signed the agreement in Jakarta. The ceremony was attended by Professor Admasu Tsegaye, Ambassador of Ethiopia to Jakarta, and Wesenyeleh Hunegnaw, Director of Ethiopian Civil Aviation.

Djibouti

Closing last week's three-day Somali Forum in Djibouti, President Ismail Omar Guelleh said "Every Somali in the region, regardless of his national country, whether it is Ethiopia, Kenya or Djibouti, should contribute to the progress of his or her society," adding, "I am very happy that such Somali elites have gathered here to discuss the future of their people." The Forum, attended by more than 100 ethnic Somali scholars, politicians and traditional leaders from around the world discussed peace, security and regional integration and considered ways to shape the political and socioeconomic future of Somalis in the region.

Eritrea

Dutch MPs last week expressed anger that the Eritrean Embassy was continuing to intimidate Eritrean asylum seekers in Holland to pay the Diaspora 2% tax, and called for the Embassy to be closed and for an investigation to see if the tax could be made illegal.

Kenya

The Ministry of Health banned shisha smoking, importation and advertising in Kenya on Thursday this week (December 28). This is in response to concerns raised in regard to health risks. The move follows a recent ban by Rwanda, and by Tanzania in July. Other countries which have banned shisha smoking, which uses a hookah, are Pakistan, Jordan, Singapore and Saudi Arabia.

Somalia

President Mohamed Abdullahi met the Senate in an emergency session to discuss the budget on Monday (December 25). This followed complaints by the Senate that it should have been able to debate the budget before it was submitted to the Office of the President. The President has until December 31st to endorse the 2017 Budget to avoid a "government shutdown". **(See article)**

The Federal Government officially took control of its airspace on Thursday this week (December 28), opening the airspace control tower at Aden Abdulle International Airport in Mogadishu. For the last 27 years, Somalia's airspace was controlled by the International Civil Aviation Organization (ICAO) based in Nairobi. President Mohamed said the occasion was a milestone, achieved through hard work and determination.

The first batch of 1,000 AMISOM troops have left Mogadishu under the AU Peace and Security Council's exit strategy. The Special Representative of the Chairperson of the African Union Commission, Ambassador Madeira said the Somali National Forces were progressively taking over AMISOM's roles under the exit plan which ends in 2020. AMISOM has trained 10,900 Somali soldiers, with another 20,000 troops more to be trained as AMISOM prepares to leave. Ambassador Madeira underlined that the training must be synchronised and centred upon a common doctrine and ideology.

Somali women senators in the Upper House formed a caucus to champion the rights of women by forging a common stand on relevant issues on Wednesday (December 27).

The 13 women Senators elected Senator Shukri Adan Mohamed as chair

South Sudan

The government and opposition factions meeting at the IGAD High Level Revitalization Forum on South Sudan signed the Cessation of Hostilities, Protection of Civilians and Humanitarian Access Agreement on Thursday (December 21) in Addis Ababa. This called for a ceasefire to come into operation on Sunday (December 24) and both government and opposition leaders instructed their forces to comply with the ceasefire. **(See article)**

Sudan

Turkish President Recep Tayyip Erdoğan started a two-day visit to the Sudan on Sunday (December 24). He and President Al-Bashir signed agreements on a strategic partnership and fighting terrorism as well as a number of other agreements and MoUs on economic issues. **(See article)**

Finance Minister Mohamed Othman Rukabi said the government planned to devalue the currency, from the current exchange rate of 6.7 Sudanese Pounds per dollar to 18. Speaking on Tuesday this week (December 26) he said the budget for the new year was based on this as an official rate. He said the results of this would be positive for the Sudanese economy.

Chief of the General Staff, Lieutenant General Emad al-Din Mustafa Adawi held discussions this week with the visiting Chief of Staff of the Qatari Armed Forces Major-General Ghanim Bin Shaheen Al-

Ghanim who arrived in Khartoum on Monday (December 25). General Adawi also met with the Deputy Chief of the General Staff of the Armed Forces of Russia, Navy Admiral Alexander Alexovich, who expressed Russia's appreciation of the level of cooperation with Sudan, and stressed readiness to exert joint efforts to promote training and exchange of experience.

Fourth Consultation meeting between Ethiopian and Egyptian Foreign Ministers

The Foreign Minister of Ethiopia, Dr. Workeneh Gebeyehu hosted Egyptian Foreign Minister Sameh Shoukry in Addis Ababa on Tuesday this week (December 26) for the fourth Ethio-Egypt Ministerial Consultation. The two countries have agreed on formal consultations between their Foreign Ministers to enhance bilateral relations in all sectors of mutual interest. This consultation meeting covered a number of issues, including trade, investment, tourism, countering terrorism in the region and enhancement of bilateral relations.

In their joint post-meeting press conference, Egyptian Foreign Minister Shoukry, praising the Ethiopian side for the warm welcome accorded to him and his delegation, noted the outstanding commitment the governments of the two countries displayed to further bolster the longstanding and ever-growing bilateral ties. Dr. Workeneh, welcoming Egyptian investors involved in businesses and investment arenas in Ethiopia, called for more to engage in the attractive investment schemes and incentive packages the Government had put in place. Mr. Shoukry said Ethiopia would continue to be a viable destination for Egyptian investors in many fields particularly in the Industrial Parks now being developed in the country, and he noted Egypt's interest in establishing its own industrial park in Ethiopia.

The other major issue discussed at length during the consultative meeting was the Grand Ethiopian Renaissance Dam (GERD). Differences between Ethiopia and Sudan on one hand and Egypt on the other have been the subject of media comment since the 17th Ministerial/Tripartite National Committee meeting held in Cairo, in November.

The two Ministers noted that the current issue on the GERD talks is of mutual concern and the peoples of the three countries Ethiopia, Sudan and Egypt were closely following it." Dr. Workneh stressed, "the best way to move forward to conduct the two studies is to incorporate the comments of the Tripartite National Committee on the Draft Inception Report and correct it according to the Contract Document. Hence, instructing the technical team accordingly is critical." Ethiopia also underlined that "escalation of a technical matter will not serve anybody except complicating matters."

The major issue of difference has been over the Draft Inception Report. Ethiopia firmly believes that the conduct of the two studies should be based on the Consultancy Service Agreement, the Contract

Document, that the Tripartite National Committee and the Consultant signed in September 2016 in Khartoum. This lays out the basis for conducting the studies and the Draft Inception Report should therefore be in line with the Contract Document. It is not unusual for the technical people to experience differences in the process of conducting the two studies. However, guidance from the political leadership has been the lubricant to move the process forward, and Ethiopia has stressed that “any differences between the parties, Ethiopia, Sudan and Egypt, can be handled through the mechanisms established in the Declaration of Principles,” signed by Prime Minister Hailemariam, President el-Sisi and President Al-Bashir in 2015

Dr. Workeneh noted that “the issue of GERD is a trilateral issue that should include the Sudan.” He called Mr. Shoukry’s visit “a positive signal” towards ensuring the Ethiopian public understands the Government of Egypt was fully determined to foster the long-term solidarity of the two people, underlined the importance of such consultative dialogue. Ethiopia, added the Minister, was determined to uphold all the interests of the parties to the Declaration of Principles, in a pan-African spirit in full respect of mutual concerns. He stressed that the GERD was a “symbol of cooperation” that aimed to enhance the capacity of all the riparian countries including Egypt. He stressed Ethiopia strongly believes that the GERD would cause no significant harm to Egypt and it would always pursue its development activities in a “win-win” approach.

Dr. Workeneh underlined the need to continue the consultative dialogues and Ethiopia’s determination for successful consultations and cooperation between the three countries. It required the commitment of the three countries to implement the agreed-upon-principles.

South Sudan cease-fire went into effect on Sunday, December 24

After the outbreak of conflict in South Sudan in December 2013, it took marathon negotiations of twenty-one months, seven IGAD Extraordinary Summits and two IGAD Plus Summits to get the parties to sign the Agreement on the Resolution of Conflict in South Sudan (ARCSS) in August 2015. Less than a year later fresh fighting broke out between armies of the two principal parties in July 2016. IGAD at its 31st Extra-Ordinary Summit held in Addis Ababa, Ethiopia, in June this year decided to "urgently convene a High-Level Revitalization Forum of the Parties to the ARCSS, including estranged groups to discuss concrete measures to restore permanent ceasefire, to restore fully and inclusive implementation of the ARCSS, and to develop a revised and realistic timeline and implementation schedule towards a democratic election at the end of transition period." IGAD initiated the Revitalization Process in order to inject extra oxygen into the earlier Peace Agreement. The idea rested on two important underpinnings. First, that the ARCSS was still the most viable path to resolve South Sudan’s problems and, secondly, that if the ARCSS was to function as a viable instrument it should consider the current realities on the ground.

Despite some original misunderstandings and confusions about the aim and scope of the Revitalization Process, all the stakeholders finally accepted the new modality which provided for the broadest possible consultation of all Parties to the Agreement and other estranged groups, and encouraged them all to propose concrete measures to help put the Peace Agreement back in track again.

The signing of the Agreement of Cessation of Hostilities, Protection of Civilians and Humanitarian Access, the first and the most important milestone for the process, came on Thursday, December 22. This provided for a cease-fire between government and several rebel groups to go into effect at the beginning of this week, on Sunday (December 24). A central element in the agreement, brokered by IGAD, was for all the warring parties to stop any military operations.

South Sudan President Salva Kiir directed the leadership of South Sudan army to comply with the agreement on Saturday (December 23). In addition, in a Christmas message released on Monday this week, President Kiir said he knew many families had been separated by conflict in 2017, resulting in families not able to spend Christmas together. He said: "It remains my prayer that you will soon be reunited in your homeland. As we usher in a New Year, we are working firmly to ensure peace and economic stability, so that very soon you can return to your villages and homes to continue your lives as once were." He added: "We are all looking forward to peace and prosperity where we can all join hands in the development of our beloved nation," and said it was his sincere hope that 2018 would indeed be the year in which genuine and lasting peace was achieved.

Rick Machar, leader of the main rebel group, Sudan People's Liberation Army-in Opposition (SPLA-IO) ordered his forces to remain in their bases and cease confrontation on Friday (December 22). Within twenty-four hours, both the Government and the SPLM-IO were accusing each other of breaking ceasefire, though both insisted they would continue to respect the ceasefire. The Agreement provides for an immediate freeze of position by the various forces, and unhindered access for aid workers to all areas as well as the release of all political detainees and abducted women and children.

There was general welcome for the Agreement. The UNHCR Special Envoy for South Sudan, Arnauld Akodjenou, said, "The latest initiative comes as a ray of hope for South Sudanese who have witnessed the ravages of war since 2013." He said: "We are calling for unreserved support to translate this agreement on paper into silencing the guns throughout South Sudan." Ethiopia's Foreign Minister, Dr. Workneh Gebeyehu, described the Agreement as "a gift to the South Sudanese people to celebrate their Christmas and New Year. This is the most precious gift of all time". He also added a note of caution: "But as past experience has showed, implementation is the longer and more difficult aspect, and many critical issues lie ahead." The chair of the African Union Commission, Moussa Faki Mahamat, told the Forum, "Everyone

is tired of the war in South Sudan.” He told signatories: “We welcome the successful conclusion of your deliberations, marked by the signing of an Agreement on Cessation of Hostilities, Protection of Civilians and Humanitarian Access,” adding. “By signing this Agreement, you have started acknowledging the gravity of the situation, and the fact that it is neither morally nor politically acceptable to allow the ongoing tragedy to continue.”

The United Nations Mission in South Sudan (UNMISS) also welcomed the signing of the Agreement on Cessation of Hostilities and on improving humanitarian access in South Sudan. It called on all parties to respect the pact and work collectively to ensure durable peace in the country. It said the Agreement was an important first step in the revitalization of the peace process. It acknowledged the efforts of all actors involved in the High-level Revitalization Forum in reaching an agreement and thanked the Intergovernmental Authority on Development for its leadership of the peace talks. It urged all parties to adhere to the Agreement “and end the ongoing violence so that durable peace can be achieved in the interests of the people of South Sudan.” Yasmon Sooka, Chair of the UN Commission for Human Rights in South Sudan, also welcomed the announcement of a cessation of hostilities agreement though she emphasized that the Commission remained “gravely concerned over the lack of accountability for serious crimes which is fuelling impunity throughout the country.”

South Sudan has spent much of the time since its independence mired in conflict, riven by the political face-off between President Salva Kiir and former Vice-President Riek Machar. The High-level Revitalization Forum has provided a final opportunity for South Sudan’s leaders to bring about much needed peace in the country. Peaceful resolution of the conflicts now lies firmly in the hands of the political leadership, collectively responsible for implementation the agreements they have signed. Ethiopia’s Prime Minister Hailemariam Dessalegn urged all the South Sudanese participants to hold on the Forum tenaciously to end the suffering and agony of their people, stressing the agreement was a “final alternative”; failing to adhere to it will bring consequences, the rest of Africa and the world “will not sit idly by.”

Ethiopian agreements for construction of 1,000 MW of geothermal projects

Ethiopia has firmly adopted a climate-resilient green economy strategy, aiming to improve the living conditions of the population by reaching a middle-income country by 2025, on the basis of a carbon-neutral growth path. Major elements of the strategy to halt the adverse effects of climate change include maximizing utilization of the country’s hydro, wind, solar and geothermal resources, to develop fuel-efficient stoves, and reduce the role of hydrocarbon fuels in industry and transport. The government’s Energy Policy is an integral part of its overall development policy; and the country’s Growth and

Transformation Plan (GTP II), running from 2015 to 2020, includes projects to boost the country's total generation of energy to 17,300MW by 2020.

While the major factor in this is an extensive program of hydropower generation development, other sources of energy being considered for development to supplement hydropower include geothermal and wind power. Ethiopia is also affected by periodic drought and seasonal water variations, and total reliance on hydro-power could raise problems that might raise problems limiting the power that could be generated. The country has therefore planned to diversify the power generation mix. Specifically, this will be done through utilizing indigenous energy resources that are economically competitive, reliable and have a low environmental impact. Geothermal is one of the resources that meet these criteria. Indeed, geothermal is known to be a cheaper energy source and Ethiopia has the longest section of the 7,000-km East African Rift Valley, which boasts major geothermal potential. It is also a resource that has been more intensively studied so far in comparison with other renewable resources.

Following this, last week (December 19), Ethiopian Electric Power signed agreements with two private companies for the purchase and implementation of two independent geothermal power projects. The two projects are the Corbetti project, and the Tulu Moye project in Oromia, Ethiopia. The agreements were signed with Corbetti Geothermal and Reykjavik Geothermal, both independent power project companies. These two, pioneering, geothermal power project will produce a combined total of 1,000 MW upon completion in eight years' time. A total of 4 billion US dollars investment capital will be required to fully develop the two projects. The agreements underline the intent of Ethiopia to meet rising energy demand from its industries as well as its aim to become the continent's biggest exporter of energy.

The CEO of Corbetti, Steve Meyer, noted that Corbetti is a landmark project for Ethiopia and the first large-scale project to harness Ethiopia's valuable geothermal resources. This important milestone, he said, could not have been achieved without the enormous support and cooperation it had received from the Government of Ethiopia and from Ethiopia Electric Power. He said: "We also recognize the employees of all government departments including the regional authorities of Oromia and SNNPR who were instrumental in making this milestone a reality."

Engineer Azeb Asnake, Ethiopian Electric Power CEO, said at the signing ceremony that the Government of Ethiopia had identified 22 sites suitable for geothermal power development. She noted that the government of Ethiopia would provide the necessary support for investors who were interested to take advantages of these opportunities. The Government, she added, attached prime attention to power sector to meet the energy demand of its fast economic growth. Seleshi Bekele, Minister of Water, Irrigation and Electricity, said the Government recognized the added value to be gained by working in partnership with the private sector, specifically in sharing the burden of investment for large-scale power generation.

According to the Ministry of Water, Irrigation and Electricity, Ethiopia currently has 4,300MW of installed power generation capacity geothermal energy source, with over 9,000MW under various stages of construction, and over 3,000MW being under preparatory stages of development.

UN envoy to Somalia welcomes adoption of the 2018 government budget

Michael Keating, the UN Secretary-General's Special Representative for Somalia, has welcomed Somalia's adoption of a federal budget as a major milestone in its economic development. In a statement issued at the beginning of this week, he said this was a sign of just how far Somalia has come over the past few years, adding that it was getting closer to being able to stand on its feet financially, like most other members of the international community. Mr. Keating added that once key reforms and revenue collection measures were working, Somalia would be able to receive grants and concessional funding from international financial institutions, instead of relying so heavily on donors for its financial needs. This would bring Somalia one step closer to gaining access to funds from international financial institutions. Mr. Keating said: "What this means for the Somalis on the street is the real prospect of more schools, hospitals and other much-needed infrastructure as the government will be able to borrow money at fair interest rates on international markets." He added. "It's also a sign of growing stability, and the previous and current governments should be commended for their efforts in reaching this point."

The House of the People approved the 2018 budget on Wednesday (December 13). Finance Minister Abdirahman Beileh said the 2018 budget would fund key development projects and pay for civil servants' salaries and the military. He welcomed the House of the People's approval as crucial to allow the government to meet its development priorities, describing it as "a great achievement for the government as we can now focus on delivering on some of our development projects." The trade deficit is projected to remain high, reflecting increased food imports and lower exports; it will be largely financed by grants and remittances. The budget noted: "Sustained support by the international community has helped avoid a severe humanitarian crisis in 2017. As the drought started receding, growth is expected to recover to 2.5-3.0% and inflation to decline to 2.0-2.5 in 2018-19." Overall, the budget calls for the state to collect \$156 million in domestic revenue and \$118 million in grants. It includes measures that are expected to boost domestic revenue collection by \$20-\$25 million, including introduction of sales and corporate income taxes for telecommunications and the removal of income tax exemption for lawmakers.

The \$274 million package is seen as a significant step towards meeting the fiscal reform requirements of the IMF's Staff Monitored Program for Somalia. The Program is designed to foster economic reconstruction efforts and enable countries to establish a track record of policy and reform implementation. Somalia completed its first Staff Monitored Program in 2016-2017 and the IMF launched the second Program in May. In a news release following a meeting with the Somali authorities before the House of the People

approved the Budget, IMF said: “We are encouraged by the authorities’ commitment and by the pace of reforms to restore key economic and financial institutions, and welcome their efforts to keep the program on track.” It described the Somali authorities’ performance under the Staff Monitored Program through September 2017 as “broadly satisfactory.”

Earlier, in September, IMF officials had been disappointed by the government’s progress since it took office in February. However, from September until December the IMF said it had seen “a strong commitment to reform. The authorities are more engaged on what needs to be done.”. It said the budget approved by Somalia’s parliament on Wednesday (December 13) was in line with fiscal reforms the government committed itself to when it entered on the second International Monetary Fund programme in May this year, its second 12-month long Staff Monitored Program. The IMF described the efforts to increase domestic revenue as very important signals. A final decision on Somalia’s compliance with the requirements of the Program for 2017 will be made by the IMF next year, and negotiations will then be initiated for another follow-on Program. Mr. Keating in his statement called on the country’s leaders to ensure that next year’s assessment of Somalia’s progress would be positive, with any political differences resolved through dialogue and a spirit of goodwill. He pointed out that political stability could only help Somalia in this regard, adding, “It will help attract both public and private investment, and reinforce the country’s progress towards financial empowerment.”

Somalia currently relies on international donors for most of its financial needs, and last year, donors spent around US\$1.5 billion on food aid, health and sanitation. President Mohamed Abdullahi Mohamed has repeatedly called on the country’s international creditors to grant Somalia debt relief under the so-called Heavily Indebted Poor Countries Initiative, established by the IMF and World Bank in 1996 to ensure that no poor country faces a debt burden exceeding its capacity to service and manage. Somalia has been unable to service its \$5.2 billion foreign debt since civil war broke out in 1991. It has not made a service or amortisation payment since then.

The IMF now forecasts Somalia's economy to grow at 2.5% in 2018, up from growth of 1.8% in 2017 when drought and security issues had kept it below the IMF’s original forecast of 2.5%. Mohamad Elhage, who led the IMF team that held the talks with Somalia authorities, said the drought had hurt the economy and impacted the government's tax collection efforts. Those developments had offset a steady recovery in the service sector, including the telecommunication and transportation sectors.

President Recep Tayyip Erdoğan of Turkey visits the Sudan

Turkish President Recep Tayyip Erdoğan started his two-day visit to the Sudan on Sunday (December 24), at the head of a delegation that included the Ministers of Foreign Affairs; Education; Agriculture;

Energy; Culture and Tourism; Transport, Maritime Affairs and Communications Minister; Economy; Defense and the Chief of the General Staff as well as 150 business representatives. The Turkish Foreign Ministry said: “the visit comes within the framework of deepening the relations between the two countries, which are based on deep-rooted historical, cultural and social ties. Also, it aims to strengthen the existing economic and trade partnerships between the two countries.”

President Erdoğan said that his visit would also target the Gülenist Terror Group's (FETÖ) exploitation of Africa. He noted that many African countries had deported FETÖ members following the attempted coup in July 15, 2016, and transferred the control of FETÖ schools to Turkey's Maarif Foundation. He hoped more action would be taken against the group. He hailed Sudan's stance against the failed coup in Turkey in July 2016, saying “we wouldn't forget the solidarity you have shown in this regard”.

President al-Bashir described Erdogan's visit, the first visit by a Turkish Head of State since Sudan became independent in 1956, as “historic”, saying it showed the keenness of the Turkish President to build special relations with Sudan. He said the visit marked a great leap forward in relations and a new beginning of strong ties between the two countries.

In an address to the Sudanese Parliament, President Erdoğan announced full cooperation with Sudan in the areas of military, energy, health and agriculture. He vowed to support Sudan in all international forums, pledging to continue support for the Palestinian cause and rejection for the United States decision to recognize Jerusalem as capital of Israel. The Turkish President, who chairs the Islamic Cooperation Conference, urged President Donald Trump to reverse his decision saying the voting of 128 nations at the UN General Assembly against the decision underscored the correctness of the Muslims stance. He said: “The US is wrong and the world is right.” During his address, he underlined that the economic sanctions imposed on the Sudan in the past were unjustified and had caused suffering for the Sudanese people and deprived them of development and affected their future. Nevertheless, the Sudan had continued to develop in various areas. He commended scientific and education cooperation between the Sudan and Turkey, and announced that a Sudanese Turkish University will be established and an Institute for Health Sciences opened along with a School for Midwifery in Nyala, South Darfur.

President Erdoğan also attended a Sudanese-Turkish Economic Forum, addressed by both presidents. The Forum aimed to draw up a road map for an economic and trade partnership on the basis of common interests. It heard papers on preferential privileges of investment in the Sudan, projects prepared for implementation and the Sudanese Businessmen Union's programme for the development of exports. New agreements were signed on cooperation between the Turkish and Sudanese Businessmen's Associations, construction of Khartoum's new airport, private sector investments in cotton production, electricity generation, establishment of grain silos, establishment of a slaughterhouse in Khartoum, and on iron and steel industrial development, the establishment of a shipbuilding company, importing cooking

gas through Port Sudan and MoUs on cooperation in mining as well as in agriculture, cotton exports and thermal power generation. A meeting of the joint Sudanese-Turkish agricultural committee also agreed to revitalize a 2014 agricultural agreement.

The Turkish Minister of Economy, Nihat Zeybekci, said one result of the Sudanese-Turkish Business Forum would be to set out a road map for the economic and trade partnership between the two countries based on their common interests. He underlined Turkey interest in agricultural raw materials, meat, vegetable, and fruit from the Sudan. A Commercial Attaché, he said, would now be appointed to the Turkish embassy in Khartoum to encourage trade and economic activities between the two countries.

According to a report issued by the Sudanese Ministry of Investment, the volume of Turkish investment in Sudan amounted to 2 billion dollars between 2000 to 2017. The Ministry said there were 288 Turkish investment projects in the Sudan. President Erdoğan announced his intention to raise the volume of trade exchange with Sudan to US\$1 billion within a year, with the aim to reach \$10 billion within five years. He said the current level of trade exchange, estimated at \$500 million, wasn't commensurate with their size and wealth especially given the large populations of Sudan and Turkey. He pledged to encourage the Turkish businessmen to invest in Sudan. President Bashir also announced the establishment of a Sudanese-Turkish bank to sponsor Turkish investments in Sudan.

On a visit to the old port of Suakin, President Erdoğan agreed to rebuild Suakin as a tourist site and a transit point for pilgrims crossing the Red Sea to Mecca, as well; as construct a naval dock to maintain civilian and military vessels. Suakin was Sudan's major port when it was ruled by the Ottoman Empire but fell into disuse after the construction of Port Sudan, 60 kms to the north.

The two leaders agreed that President Erdoğan's visit cemented political bilateral relations, as well as underlining Turkey's intention to maximize investment in the Sudan and make it a core concern in Turkey's trade and economic enhancement strategy for Africa. They announced the signing of a strategic partnership agreement between Sudan and Turkey and an agreement on establishment of the high-level strategic cooperation council. At a joint press conference after their talks they said the council would play a pivotal role in realizing their strategic partnership. It would lay out the constitutional framework for bilateral cooperation and provide ad hoc structures and committees to follow up implementation of the agreements under the supervision of the respective foreign ministers. It would meet annually to consider plans and programmes, follow-up implementation of agreements, submit reports on achievements and proposals for overcoming problems.

President Al-Bashir and President Erdoğan also signed an agreement aimed at fighting terrorism in Africa, with a particular focus on the East and Horn regions. The agreement allows Turkey to have a

military presence on the Red Sea in Sudanese territorial waters, for the purposes of fighting terrorism and protecting military ships. Turkish Foreign Minister, Mevlut Cavusoglu, said Turkey supported Sudan in the war on terrorism, adding that it was keen to check the menace across the African continent. He said: “The security of Africa in general and Sudan in particular is of critical importance to Turkey. We will continue supporting Sudan especially with regards to the war on terrorism.” He added, “Our two leaders have also ordered that the Turkish police, security, military and defence ministry will provide the support to the Sudanese side, so we will continue our cooperation regarding the military sector.”

Dutch MPs again call for closure of the Eritrean Embassy in the Netherlands

Members of the Dutch Parliament expressed anger and frustration in a debate on Wednesday last week (December 20) that the Eritrean Embassy was continuing to pressure and intimidate Eritrean asylum seekers in Holland to pay the so-called Diaspora 2% tax. This was despite earlier Dutch government calls for the Embassy to cease its demands. Members of the ruling D66 party and the Prime Minister’s Party, the VVD, speaking in the debate underlined that the Eritrean authorities had already been asked several times about undesirable practices connected with the tax and told to end the procedure. MPs demanded the Embassy should be closed and called for an investigation to see if the tax could be made illegal. It was clear in the debate last week that a large majority of the MPs wanted the embassy of Eritrea to close in The Hague. The reason was that the Eritrean government was continuing to force Eritreans in the Netherlands to pay taxes. Dutch authorities have protested against this practice on a number of occasions several times, but Eritrea has ignored their objections.

The MPs concerns were largely fuelled by an investigation carried out by the VPRO radio program Argos. The preliminary results of the investigation carried on the program’s website, before they were broadcast last weekend. These gave chapter and verse of the pressure put on Eritreans in the Netherlands. The website included a recorded conversation between the head of consular affairs, Solomon Mehari, and an Eritrean asylum seeker who wanted a document. In their conversation, the head of the consular affairs at the embassy makes it clear that the asylum seeker must pay the 2% tax and express his “regret” for having fled from Eritrea. If he refused to sign he would not be issued with the government document he requested from the Embassy. The transcript makes it clear the asylum seeker would have to sign a form in which he repented his actions in leaving Eritrea and accepted he will receive what was called the “appropriate punishment”. When the asylum seeker asks what this would be, the embassy official refuses to specify. He says firmly: “Every person that left the country must first sign this. There is no way around it. After that, we can give our services.”

MPs called this “unacceptable” and expressed their dismay that despite earlier requests the previous Foreign Minister had failed to put an end to this process. Among the options the MPs considered last week were closure of the Embassy in The Hague and whether the 2% tax could be made illegal. They also expressed serious concern that pressure and intimidation was continuing, despite government calls for the Eritrean embassy to cease acting in this way. In September, a study commissioned by the Dutch government confirmed the use of intimidation and societal pressure by the Eritrean authorities on members of the diaspora living in the Netherlands to extract additional taxes. The report concluded that: “The means of collection that are described can add to the fact that it is very difficult for Eritreans in the Netherlands to detach themselves from the country that many of them have fled. The Cabinet has labelled this as unacceptable before and this remains unchanged. The report found that the 2% tax was being collected by the Eritrean authorities through its consular and other officials. It also noted: “the Eritrean embassies are responsible for the collection of the diaspora tax and they fall under the control of the governing party, the PFDJ. The local head of the PFDJ is the person who is really in charge in the embassies; this person is usually not an Eritrean diplomat.”

At the time, the Dutch authorities called on members of the Eritrean diaspora to report any intimidation to the police and promises decisive action and said that when firm evidence emerged of intimidation and unlawful coercion in relation to the collection of the Eritrean diaspora tax by the embassy in The Hague, diplomatic measures would not be ruled out. The government said in an official statement promised to act if the Eritrean authorities continued these practices: “When firm evidence emerges of intimidation and unlawful coercion in relation to the collection of the Eritrean diaspora tax by the embassy in The Hague, diplomatic measures will not be ruled out.”

In response to MPs concerns, the Minister of Foreign Affairs, Halbe Zijlstra, spoke of the "unsettling image" that the radio program outlined. He said he wanted to hear the broadcast before he took a decision. He described closure of the Eritrean Embassy as an extremely serious step, but if the information from Argos was correct, he said, the embassy head would be expelled. He said that the Dutch government had called on Eritreans to report these matters to the police. Then police had so far received nearly a dozen reports but there had not yet been any criminal investigations. The Minister told Parliament he would discuss the possibility of undertaking a formal prosecution with the Prosecutor. He also offered, once more, to discuss the matter with the Eritrean Ambassador in Brussels.

After the debate, Eritreans took to the streets of Brussels to demand the closure of the Eritrean Embassy in The Hague and protest against the activities of Eritrean government agents in Europe. They said these agents spied on their fellow citizens among the Eritrean diaspora, intimidating them if they step out of line and attempting to force them to pay the 2% tax the Eritrean government extracts from its people, even if they live abroad.