

News in Brief

The 30th AU Summit opens with the Permanent Representatives Committee meeting...

...followed by the 32nd Ordinary Session of the AU Executive Council...

...and Foreign Minister Dr. Workneh's reception for the AU Executive Council

The Prime Minister's Cairo visit: renewed commitments to cooperation

UN Security Council briefed on South Sudan ceasefire violations

UN briefing on Somalia: progress despite turbulent politics, terrorism and famine risks

UK's Secretary for Development Assistance visits Mogadishu

IMF's Executive Board: Growth in Ethiopia to stay high in 2017/18

The ADB's 2018 African Economic Outlook report....

...offers a positive view of Ethiopia's "Economic performance and outlook" ...

...and sees a decline in Eritrea's economic performance

UNICEF says drought in Eritrea left half a million needing assistance last year

News in Brief

Africa and the African Union

The 30th African Union summit is taking place this week from January 22 to January 29, with the 35th Ordinary Session of the AU Permanent Representatives Committee (PRC), meeting on Monday and Tuesday to prepare an agenda for the Summit. This was followed by the 32nd Ordinary Session of the AU's Executive Council (of Foreign Ministers) held on Thursday and Friday this week (January 25-26). The 30th Ordinary Session of the Assembly of Heads of State and Government of the African Union will be held on Sunday and Monday (January 28 and 29). This year's Summit has the theme: "Winning the Fight Against Corruption: A Sustainable Path to Africa's Transformation". The Summit will also be considering the reforms proposed by President Paul Kagame, this year's Chair of the African Union. Other items high on the agenda include discussions on a free trade zone, financing the African Union and inclusive development as well as the situation in South Sudan, the Democratic Republic of Congo, Somalia and Libya. **(See article)**

United Nations Secretary-General António Guterres will arrive in Addis Ababa this weekend to attend the African Union Summit. Mr. Guterres will be attending a high-level breakfast on Equal Access of African Women in High Level Positions at the African Union and in the United Nations Systems as well as holding bilateral meetings with Moussa Faki Mahamat, Chairperson of the African Union Commission, and numerous Heads of State and Government. The Secretary-General will also participate in other high-level meetings including the Committee of the African Union on Libya; the Renewed Partnership to end hunger in Africa by 2025; Five Years Later: Taking stock of progress and lessons in light of the Sustainable Development Goals; as well as a meeting of the AU Peace and Security Council under the theme "Towards a comprehensive approach to combat the transnational threat of terrorism in Africa". The UN Secretary-General will also swear-in Ms. Vera Songwe, the new Executive Secretary of the Economic Commission for Africa.

Muchanga Albert, AU Commissioner for Trade and Industry, called for AU member states to apply effective measures to modernize and augment the benefit from the mining sector. In a press conference on Thursday (January 25), he said member states should set up coherent policies and prudent and strong legal and regulatory frameworks to effectively cascade the

mining sector. Most of Africa's minerals are exported as ore, concentrate or metals, without significant value-addition. The AU and the ECA are developing measures to ensure greater benefit for Africa including a Geological and Mineral Infrastructure System) Strategy, the African Governance Framework, to ensure mutual transparency and accountability, and the Africa Mining Vision Private Sector Compact to mutual trust between governments and mining companies.

The President of the African Development Bank, Akinwumi Adesina, launched the Bank's 2018 African Economic Outlook at its headquarters in Abidjan, Côte d'Ivoire, on Wednesday last week (January 18). He made a compelling case for accelerating Africa's industrialization to create jobs, reduce poverty and promote inclusive economic growth. New infrastructure financing gap estimates and innovative ways to raise funds for infrastructure development were among the highlights of the 2018 Report. **(See article)**

Ethiopia

Prime Minister Hailemariam Dessalegn led a high-level delegation to the World Economic Forum in Davos, Switzerland this week (January 23-26). The theme of the Forum was "Creating a shared future in a fractured world." Among meetings on the sidelines of the Forum, the Prime Minister met with and held discussions with Ellen Agler, CO of the END Fund, a private initiative to combat the five most common neglected tropical diseases. He also had talks with WEF Chair Borge Brende, as the CEO of the Trafigura Group, Jeremy Weir on power supply and mining, as well as with the CEO of Phillips, Frans van Houten, over possible export of modern medical equipment to Ethiopia.

Prime Minister Hailemariam held discussions in Davos with former British Prime Minister and UN Special Envoy for Education, Gordon Brown, who expressed his support for Ethiopia's efforts to provide access to school for all children. Mr. Brown told journalists later that he has discussed the expansion of quality education and access to education and promised to find resources to assist in the movement in providing education for all.

In their talks in Cairo last week, Prime Minister Hailemariam and President El-Sisi emphasized the need to build trust and common understanding and stressed that the Nile and the Grand Ethiopian Renaissance Dam (GERD) should not be viewed as a source of conflict but as a source of cooperation. **(See article)**

Foreign Minister, Dr. Workneh Gebeyehu, who took part in the 32nd Ordinary Session of the Executive Council of the African Union on Thursday and Friday (January 25-26), also attended a number of other meetings this week. These included a meeting of the Open-Ended Committee of Ministers of Foreign Affairs on the International Criminal Court, and a meeting of the Foreign Ministers of the Eastern Africa Region, chaired by Djibouti, in addition to a number of bilateral meetings.

Dr. Workneh hosted a Reception in honor of the participants of the 32nd Session of the Executive Council of Foreign Ministers on Thursday evening at the Sheraton Addis. Mr. Moussa Faki Mahamat, Chairperson of the African Union Commission, was Guest of Honor. **(See article)**

Dr. Workneh held discussions with the Chairperson of the AU Commission, Moussa Faki Mahamat on Tuesday (January 23), at AU Headquarters, to discuss the 30th Ordinary Session of the Assembly of Heads of State and Government of the African Union. Minister Workneh assured the AUC Chairperson of Ethiopia's readiness and commitment to the AU Summit.

Dr. Workneh met the Foreign Minister of the Kingdom of Norway, Ms. Ine Marie Eriksen Søreide, on Wednesday (January 24). They discussed development in Ethiopia and ways of facilitating Norwegian technical and academic assistance in various sectors including education, health, migration, peace and security, as well as ways of further facilitating the wider and deeper participation of Norwegian businesses in Ethiopia, especially in the creation of jobs for the youth. Ms. Søreide commended Ethiopia's efforts to bring about peace and order in South Sudan bilaterally and through IGAD and the Troika of Norway, the UK and the US.

Dr. Workneh met with Somalia's newly appointed Foreign Minister, Ahmed Isse Awad on Thursday (January 25). He emphasized the benefits of the launch of the proposed Joint Ministerial Commission, scheduled to launch in early March, and extended an invitation to Somali elders to make a visit to Ethiopia to further cement the strong people-to-people ties. Minister Awad underlined his Government's commitment to r take cooperation between the two countries to a further level. He commended Ethiopia for its role towards ensuring peace and stability in the region and its diplomatic moves in bilateral and multilateral fora.

Dr. Workneh met with Foreign Minister Abdelkader Messahel of Algeria on Thursday (January 25) and discussed ways to expand the sustainable and sound relationship between Ethiopia and Algeria. They also discussed various bilateral issues and other areas of mutual interest. Dr. Workneh reaffirmed the vital partnership between Ethiopia and Algeria and emphasized the need to further strengthen and cement the relationship.

Ethiopia and Nigeria reaffirmed their commitment to expedite cooperation in the aviation industry during a meeting between Foreign Minister Dr. Workneh and Nigeria's Foreign Minister Geoffrey Onyeama on Friday (January 26). They also discussed bilateral, regional and continental issues and ways to expand bilateral relations. Mr. Onyeama expressed Nigeria's appreciation of Ethiopian Airlines and its interest to take aviation diplomacy to a higher level of cooperation and combine forces to benefit Nigeria and Ethiopia.

Dr. Workneh met the Foreign Minister of Ghana, Shirley Ayorkor Botchwey on Friday (January 26). The two sides took note of the long-standing and historical partnership between Ethiopia and Ghana and agreed to work together in both bilateral and multilateral areas of mutual interest.

Dr. Workneh met with his Angola's Foreign Minister Manuel Domingos Augusto on Thursday (January 26). The two ministers agreed to capitalize on ways of further boosting the solidarity Ethiopia and Angola have shown in various bilateral and multilateral issues.

State Minister for Foreign Affairs, Mrs. Hirut Zemene, attending a celebration of the 68th anniversary of the Republic Day of India and the 70th anniversary of the establishment of formal diplomatic relations between Ethiopia and India on Tuesday (January 23) said Ethiopia sees India as an important and strategic partner, and relations grown to an all-round development partnership that covers trade, investment, development and technical assistance.

They also cooperated in different international organizations including the Non Aligned Movement. India's Ambassador to Ethiopia, Ambassador Srivastava said it was time to renew pledges to work towards realizing the full potential of the two countries' partnership. State Minister Hirut Zemene and IGAD Special Envoy for South Sudan, Ambassador Ismail Wais, briefed the members of the IGAD Partners Forum on Monday (January 22). They emphasized that despite violations the signing of Cessation of Hostilities, Protection of Civilians, and Humanitarian Access Agreement on December 21 was pivotal to ensure stability. They also underlined that the few violations would not undermine the next phase of the High-level Revitalization Forum scheduled to be held on February 5.

State Minister, Mrs. Hirut held talks with Ambassador Osuga Takeshi, Director-General for African Affairs of the Ministry of Foreign Affairs of Japan on Monday (January 22). The two sides underlined the need to expedite their ties.

State Minister, Mrs. Hirut received the copy of the credentials of New Zealand's newly appointed Ambassador to Ethiopia, Ambassador Mark Ramsden, on Monday (January 22).

State Minister for Foreign Affairs, Mrs. Hirut Zemene received copy of the credentials of the newly appointed Ambassador of Portugal to Ethiopia, Ambassador Helena Maria Rodrigues Fernandes Malcata on Monday (January 22).

State Minister for Business and Economic Affairs, Dr. Akililu Hailemichael met with Board Members of the Ethiopian Chamber of Commerce (CoC) on Monday (January 22). They discussed ways to enhance collaboration between the Ministry and the Chamber of Commerce in export promotion and conference tourism as well as Ethiopian CoC links to other countries' CoC. The State Minister said the 'Ministry would continuously support the Chamber in its efforts to promote Ethiopia's produces and services, investment opportunities and tourism potential.

The Executive Board of the IMF reported on the conclusion of its Article IV consultation with the Government of Ethiopia last week. Growth is expected to stay high in 2017/18, following continued recovery from droughts and export expansion. The IMF noted annual average GDP growth of around 10% for the last decade driven by public investments in agriculture and infrastructure. It commended Government's efforts in reducing poverty significantly. **(See article)**

The African Development Bank's report on Ethiopia's "Economic performance and outlook" in its African Economic Outlook 2018 said Ethiopia was steadily recovering from the 2015/16 and 2017 droughts, with continued expansion of services and industry and a rebound in agriculture. It said. It noted continued Foreign Direct Investment and said real GDP growth during 2017/18-2018/19 would be led by greater agricultural productivity and strong industrial development. **(See article).**

IGAD Executive Secretary Ambassador Mahboub Maalim handed over a cheque worth US\$50,000 to the Ambassador of Ethiopia to Djibouti and Chair of the IGAD Committee of Ambassadors, Ambassador Shamebo Fitamo, as a voluntary contribution from IGAD staff to the Grand Ethiopian Renaissance Dam (GERD) Project on Sunday (January 21). Ambassador Maalim said IGAD staff were fully aware of the regional dimension of the GERD Project and do not want to be left behind "when it comes to demonstrating their commitment to regional development and the well-being of the populations".

A delegation from Addis Ababa City Administration representing the departments of Urban Agriculture, Inland Revenue and Tax Collection, Environment Protection, City Beautification, Parks, and Cemetery Development, Water and Sewerage, River and River Side Management completed a successful six-day experience exchange visit to Khartoum on Tuesday (January 23). They exchanged experiences with their counterparts from Khartoum State and carried out a number of site visits.

The government has begun repatriating Ethiopian citizens from Libya. The first group of 21 Ethiopians from Tripoli arrived on Wednesday as a result of joint efforts by the government and the International Organization for Migration. Another 45 Ethiopians from Tripoli and Benghazi will follow shortly.

Eritrea

The Ministry of Foreign Affairs this week issued a statement calling the Dutch expulsion of Eritrea's Charge d'affaires in the Netherlands on Tuesday last week (January 16) "an arbitrary and provocative act that has no consonance with the Vienna Protocol of Diplomatic Relations." The Ministry rejected the "hollow accusations levelled against its Consular Office in the Netherlands" and said the Dutch non-resident Ambassador to Eritrea had been summoned to explain the unfriendly acts of her government. The Ministry said it was considering appropriate reciprocal measures in response to this unwarranted and unfriendly act.

The African Development Bank's African Economic Outlook 2018 on Eritrea said the economy had slowed more sharply than expected in 2016/17, due to dwindling economic activities and drought that affected agricultural productivity. Real GDP growth declined to an estimated 3.4% in 2017, down from 3.8% in 2016, and was projected to remain between 3.7% and 3.8% over the medium term. **(See article)**

UNICEF issued an end-of-year report on its activities in Eritrea for 2017 at the end of last week. This noted that Eritrea had been negatively affected by the adverse climatic conditions in the region and it had targeted a total of 477,000 children for humanitarian intervention during the year, for waterborne diseases and moderate and severe acute malnutrition. **(See article)**

Migration authorities in Switzerland say Eritreans topped the list of asylum seekers into the country during 2017. In total, 18,000 asylum requests were registered last year, down 9,000 from 2016 and less than half the 39,523 requests of 2015. Eritreans made up almost a fifth of requests followed by Syrians, Afghans and people from Turkey.

Finance Minister Berhane Habtemariam and China's Ambassador to Eritrea, Ambassador Yang Zigang, signed an 87 million dollars loan agreement in Asmara on Tuesday last week (January 18). The loan will cover construction of the first phase of an asphalt road connecting Adi-Guaedad with Habela.

Kenya

Major works to turn Jomo Kenyatta International Airport into a world-class facility have been launched ahead of the inauguration of direct flights to the United States, scheduled to start in

October. They include a new parking system, changes of personnel, regulating taxi and tour operators and improving efficiency at security screening points. Interior Cabinet Secretary Matiang'i and Transport Cabinet Secretary Macharia warned that failure and delays would not be tolerated.

A team from the University of Nairobi has built Kenya's first satellite, a Japanese-funded nano-satellite which will be launched in two months' time. It will be used to observe farming trends and monitor the country's coastline. Kenya is one of just six African countries to have sent satellites into space.

Somalia

President Mohamed Abdullahi has continued his 'reconciliation tour' in Puntland and Galmudug, holding talks with regional leaders, politicians and civil society members to encourage reconciliation. This week, he laid the foundation stone for the construction of a port facility in Hobyo, a coastal town in Galmudug State, on Tuesday (January 23). Earlier he launched the construction of an airport at Adaado which has been acting as the interim state capital for more than 3 years, and declared it the seat of the Galmudug State Assembly.

Prime Minister Hassan Ali Khayre led a delegation of Ministers, MPs and government officials to the World Economic Forum in Davos this week. He said the invitation to Somalia to attend the WEF was an indication that "the country was now heading in the right direction."

Prime Minister Hassan Ali Khayre met with International Monetary Fund Managing Director Christine Lagarde on Tuesday (January 23) on the margins of the World Economic Forum in Davos. They discussed the IMF's support for Somalia, in two Staff-Monitored Programs and extensive technical assistance. Ms. Lagarde said Somalia's debt relief was a priority for the IMF and every effort was being made to accelerate the process within established procedures.

UN Special Representative to Somalia, Michael Keating, told the UN Security Council on Wednesday (January 24) that the Somali government was making headway despite major challenges and a steep learning curve. Ambassador Madeira, Head of AMISOM also detailed AMISOM's plans for a 'responsible' withdrawal. **(See article)**

The UK Secretary for International Development, Penelope Mordaunt, visited Mogadishu at the beginning of this week (January 21), and pledged an additional £21 million for immediate humanitarian assistance. She also indicated the UK would be providing a further £40 million to follow. **(See article)**

The Minister of Foreign Affairs and International Cooperation, Ambassador Ahmed Isse Awad, at the extraordinary meeting of the Council of Foreign Ministers of the Organization of Islamic Cooperation in Jeddah on Sunday (January 21), stressed Somalia's solidarity with Saudi Arabia on the war in Yemen. Ambassador Awad also held talks with Mahmoud Ali Youssouf, Foreign Minister of Djibouti, Mr. Hamid Mohamed E. Momtaz, Sudan's State Minister for Foreign Affairs, OIC Secretary General, Dr. Yousef Bin Ahmed Al Othaimen, and the President of the Islamic Development Bank, Mr. Bandar Al Hajjar.

The German Government announced a commitment of EUR 23.4 million to support infrastructure work in Somalia on Tuesday (January 23). Channeled through the World

Bank's Multi Partner Fund, the contribution will strengthen municipal planning and implementation capacity to improve access to basic infrastructure. The Multi Partner Fund works predominantly through Somali authorities and includes institution-building, economic growth and urban development activities.

The EU Capacity Building Mission in Somalia (EUCAP) organized its third Workshop on Maritime Law and Crime in Garowe, the capital of Puntland at the beginning of this week (January 21-23). The aim was to further enhance the level of cooperation between judges, prosecutors and police, and improve knowledge of national and international maritime security legislation. The 21 participants were drawn from different regions of Puntland.

South Sudan

President Salva Kiir visited South Africa at the end of last week accompanied by a delegation including the Minister of Defence, Kuol Manyang, the Minister in the Office of the President, Mayiik Ayii Deng, and Minister of Petroleum, Ezekiel Lul. He met with President Zuma on Saturday and briefed him on the political and security situation in South Sudan.

The UN Security Council was told in a briefing on Wednesday (January 24) that violations of the Agreement on the Cessation of Hostilities (signed on December 21) and continuing hostile propaganda by the parties against one another showed a lack of commitment and threatened to undermine the regional and international efforts to revitalize the peace process. **(See article)**

South Sudan and China signed a \$248 million loan agreement to establish an Air Traffic Management system on Thursday (January 25). South Sudan currently relies on ATM facilities provided by the Sudan. Finance Minister, Stephen Dhieu Dau said the ATM would be a key infrastructure for safeguarding national security and generating revenue. He said the government was negotiating with the Chinese government, Chinese companies and financial institutions to fund other economic and social services projects.

The 30th AU Summit opens with the Permanent Representatives Committee meeting...

At a press conference on Tuesday (January 23) Foreign Minister Dr. Workneh Gebeyehu said that more than 40 Heads of State and Government as well as UN Secretary General Antonio Guterres and other leading figures would be attending the 30th Ordinary Session of the Assembly of Heads of State and Government of the African Union. The Summit this year is being held under the theme of "Winning the Fight Against Corruption: A Sustainable Path to Africa's Transformation". Dr. Workneh said the discussions would center on the AU's much-negotiated reforms, designed to improve its impact and effectiveness. The reforms have been proposed by a commission led by Rwandan President Paul Kagame, this year's Chair of the African Union. The Foreign Minister also noted discussions on a free trade zone, financing the African Union and inclusive development would be high on the agenda as would the situation in a number of countries, including South Sudan, the Democratic Republic of Congo, Somalia and Libya. Dr. Workneh emphasized the need for Africa to continue consideration of ways to boost investment in Africa's youth by promoting transformative and inclusive development agendas aimed at recognizing the efforts by the youth in entrepreneurship and innovation.

Under the framework of the 30th African Union summit, the first meeting of the week was the 35th Ordinary Session of the AU Permanent Representatives Committee (PRC), bringing together the ambassadors of the 55 AU member states based in Addis Ababa and key AU officials. The PRC meeting had the task of preparing the agenda of the AU Summit with appropriate recommendations for consideration by the Executive Council, of AU foreign ministers. Held on Monday and Tuesday this week (January 22-23) at the AU headquarters in Addis Ababa, the meeting concluded with the adoption of its report, which was submitted to the 32nd Ordinary Session of the AU's Executive Council (of Foreign Ministers) held on Thursday and Friday this week January 25-26).

Under the main theme of the summit, "Winning the Fight against Corruption: A Sustainable Path to Africa's Transformation," the PRC session considered and deliberated on issues ranging from agriculture, transport, science and technology, to information and communication technology as well as legal and financial matters. In his opening remarks,, Moussa Faki Mahamat, Chairperson of the AU Commission, emphasized that AU member states should play a primary role in the fight against corruption, the focus of 2018. He said: "The relevance of the choice of this is obvious because of the scope of the scourge of corruption on the continent with its devastating effects on economic development, corrosion for our social cohesion and destabilizing our political order." He underlined that the AU commission would do its best to implement the decisions that would be adopted, but noted that "the primary responsibility rests upon the shoulder of the member states." The Chairperson called on AU member states to more resolutely fight against illegal and illicit financial flows more effectively and resolutely. He also reiterated the importance of reform for the effectiveness of the African Union. He said: "I would like to stress the crucial importance of this reform, its conclusion is a guarantee for an increased effectiveness of our union in order to make it a tool that is likely to carry for our ambitions and translate it into deeds", adding, "It is the very condition of financial independence which itself guarantees that we take our destiny in our hand and our decision-making sovereignty:" "Without this independence Africa is nothing."

Mrs. Fatoumata Kaba Sidibe, Chairperson of the PRC and Ambassador of the Republic of Guinea, expressed her appreciation for the collective efforts of all members of the PRC and of the AUC Chairperson to implement the Continental Agenda 2063 and its 10 Year Plan among other related issues aimed at advancing the integration process of the continent. She recalled that the last year had been marked by efforts to find economic solutions to improve the lives of the African citizens. This was particularly relevant since most countries had been affected by terrorism, climate changes and other problems. She also noted that the PRC had been tasked to collaborate in planning activities for the whole year, including the implementation of the proposed AU institutional reforms."

The PRC considered the reports of the various activities of their sub-committees, reports of the AU organs and their activities. It congratulated Mozambique and Côte d'Ivoire for successfully organizing the TICAD 2017 Ministerial Meeting and the 4th AU-EU Summit respectively and directed that the Commission, in collaboration with the PRC, should work with the EU in order to finalize the joint priority projects of the 4th AU-EU Summit held in Côte d'Ivoire. Among the other reports considered was the Sub-Committee on Refugees, Returnees and Internally Displaced Persons presented by Equatorial Guinea. The PRC commended the Sub-Committee for its efforts in undertaking field missions to Member States experiencing humanitarian crisis. The PRC said these missions brought the AU closer

to African citizens, it was noted. Discussions also highlighted the dire humanitarian situation faced by disaster and conflict-induced displacement in Africa and the urgent need to increase support. They underscored that resource mobilization should be envisaged internally in Africa as well as externally.

...followed by the 32nd Ordinary Session of the AU Executive Council...

The 32nd Ordinary Session of the Executive Council of the African Union (AU) opened on Thursday with all the AU's Ministers of Foreign Affairs in attendance as well as AU officials. In his opening remarks, Chairperson of the African Union Commission, Moussa Faki Mahamat, emphasized the importance of the fight against corruption, a fight which, he said could only "be won by our collective action", adding, "The year 2018 is set to be the year of this fight. He noted that the Reform Implementation Unit was already at work and he would be presenting a report on the activities already carried out, in addition to the main report to be submitted by President Kagame. He mentioned the "very broad consensus" reached on the need to ensure financial independence, referring to this as a matter of rationality, efficiency and effectiveness, of dignity and decision-making sovereignty. He congratulated those Member States which had taken the necessary measures to implement the 0.2% levy on eligible imports, and the progress made. He also referred to fact that the excellent level of contributions to the Peace Fund meant that the partners' share would be reduced to 59% in 2018. If this trend continued, the Commission Chair said, a 100% of the operational budget, 75% of programs and 25% of peace operations would be funded from the continent by 2020.

The Chairperson also mentioned three flagship projects of the Agenda for the accelerated integration of the Continent would be launched during this Summit: The Continental Free Trade Area; the free movement of persons and goods and the implementation of the Yamoussoukro Decision on the Single Market; and the liberalization of Air Transport in Africa. He said all three strategic projects called for strong political mobilization, expertise, talent, intelligence and motivation and effective realization would also harness the demographic dividend through investment in youth.

Also mentioning the urgent need to undertake meaningful reform to witness "the Africa we want", Ethiopia's Foreign Minister Dr. Workneh, in his remarks, noted that Ethiopia strongly supported the African Union reform being coordinated by President Kagame of Rwanda. Dr. Workneh shared the Ethiopian Government's commitment to spearhead Africa's development and integration in close collaboration with African Union Member States, the Regional Economic Communities and African citizens. He noted Ethiopia would do all that it takes to ensure speedy economic integration of the continent.

The two-day Executive Council meeting allowed the Foreign Ministers to deliberate on the different items on their agenda, including the consideration of the report of the PRC; the annual report of the Chairperson of the Commission and the report on the implementation of Assembly Declarations including that of the Single African Air Transport Market (SAATM); the progress of implementation of Agenda 2063; African Candidatures in the International System; and the progress report on the International Criminal Court (ICC). The Executive Council also considered the election and appointment of the 10 members of the Peace and Security Council; of a member of the Advisory Board on Corruption; and the election of two members of the Pan-African University Council.

...and Foreign Minister Dr. Workneh's reception for the AU Executive Council

Dr. Workneh hosted a Dinner Reception in honor of the participants of the 32nd Session of the Executive Council of the 30th African Union Summit on Thursday evening at the Sheraton Addis. Mr. Moussa Faki Mahamat, Chairperson of the African Union Commission, was Guest of Honor, and in addition to the Foreign Ministers, Ambassadors and Delegates attended.

Dr. Workneh extended a warm welcome to the Ministers, emphasizing that it was both an honor and a pleasure to see them once again "in the land of origins, your home." He extended Ethiopia's deep appreciation to the African Union Commission and the Permanent Representatives Commission for their tireless efforts in the preparations for the meeting of the Executive Council and for the 30th Ordinary Session of the Assembly.

In his remarks, Dr. Workneh focused on several issues of common concern and interest to the Member Countries ranging from the African Union's institutional reforms, the need for ensuring the continued and unrelenting commitment to issues of peace and security on the continent. In the context of the restoration of peace and order in the most volatile regions of the continent, Dr. Workneh expressed his gratitude for the commitment of Member States and of the AU Commission to bring the aim of "Silencing of the Guns by 2020" to a successful conclusion.

Paying due attention to the relentless efforts of Member States for betterment of the Continent, in general and the improvement of the lives of African people in particular, Dr. Workneh firmly underlined that "while we deepen and strengthen our Union in the usual African spirit of fraternity, and shared vision of a strong and United Africa in our meetings and discussions, we also strengthen our family bond."

Foreign Minister, Dr. Workneh closed his remarks by proposing a toast and wishing all present complete success in the deliberations and proceedings of the 32nd Session of the Executive Council and of the 30th Session of the Assembly of the African Union.

The Prime Minister's Cairo visit: renewed commitments to cooperation

Prime Minister Hailemariam Dessalegn, who visited Cairo last week to attend the Sixth Egyptian-Ethiopian High-Level Joint Ministerial Commission meeting, also met with Egyptian President Abdel Fattah El-Sisi on Thursday (January 18). The two leaders held bilateral discussions in the spirit of longstanding ties and solidarity between the peoples of both countries. They stressed the need for further cooperation and mutual understanding, transcending cooperation on the Nile and the Grand Ethiopian Renaissance Dam (GERD). During the Commission meeting, they also agreed to further economic cooperation in various areas, including trade, investment, tourism, livestock, fisheries, and health, and the two leaders witnessed the signing of Memoranda of Understanding on Political and Diplomatic Consultation and on Industrial Cooperation.

During their talks, Prime Minister Hailemariam and President El-Sisi focused on bilateral and regional as well as international issues of mutual concern. Prime Minister Hailemariam

underlined the need for furthering the bilateral relationship and expanding cooperation on regional and international issues of mutual interest, which he said, required the promotion of shared values and the exercise of collective responsibility. President Abdel Fattah El-Sisi also noted the importance of exploring areas of shared interest and fostering economic cooperation between the two countries. President El-Sisi underlined Egypt's keenness to further economic cooperation on a range of areas, including trade and investment. Both leaders noted the level of the current economic cooperation did not match the legacy of the longstanding relationship between the peoples of the two countries. Prime Minister Hailemariam, who also met with Egyptian investors during his visit, emphasized that Ethiopia was keen to receive Egyptian businesses, adding "my government is committed to create a conducive business environment for Egyptian businessmen."

Both leaders recognized the pivotal role the two nations have played in the development of the continent, and they agreed to work in close cooperation to tackle the challenges facing Africa in general and the Horn of Africa and Red Sea region in particular. They discussed the threats of terrorism and religious extremism, and Prime Minister Hailemariam took the opportunity to express his heartfelt condolences to the people and Government of Egypt for the murderous and cowardly attacks perpetrated against Egypt by terrorist groups: "The pain is ours too, as much as it is yours."

Both Prime Minister Hailemariam and President El-Sisi emphasized the need to build trust and common understanding in a bid to expedite their existing cooperation beyond just the Nile and GERD. They stressed that the Nile and GERD should not be viewed as a source of conflict. Prime Minister Hailemariam said: "The Renaissance Dam is a central factor of our collective development. You should see it as a development of your own as much as it is ours. It happens to be in Ethiopia but it is a vehicle designed for the benefit and development of the whole of the Nile Basin and more particularly for the downstream countries." Ethiopia, he said, was growing and rising, "but we want to rise as a peaceful and responsible African nation that must inspire hope not a threat to anyone and the Renaissance Dam must serve to promote that hope." The Prime Minister underlined that Ethiopia fully understood the needs and aspirations of the People of Egypt and that the Nile was a lifeline for their existence. In the same way, Egypt understood Ethiopia's development needs and aspirations to "tackle the recurrent drought and associated poverty through development." This, he said, had been underlined most comprehensively in the Declaration of Principles, which had emphasized their commitment to mutual cooperation and trust building. Similarly, President El-Sisi noted, "The Nile should serve as a source of solidarity and not a source of conflict." He added: "We have an unwavering belief that Ethiopia has the right for development", adding that "Egypt has the right strategic orientation to deepen its cooperation with Ethiopia." President El-Sisi said "Prime Minister Hailemariam Dessalegn's visit gives a clear sign to our peoples and the entire world that we have the political will and determination to overcome all the obstacles we face."

Following his visit to Egypt, Prime Minister Hailemariam at a subsequent media briefing described his visit to Cairo as "very fruitful." Referring to discussions, he and his delegation had held with President Abdel Fattah El-Sisi and members of his Cabinet on wide-ranging issues of bilateral, regional and International concerns, he said, "In light of the profound spiritual and social bonds that link our peoples, we also discussed ways of furthering our bilateral ties. We have of course, deliberated on the Nile River, the river that forms the basis of livelihood for, and a permanent bond, between our peoples. The Nile offers, of course, and

always should, the opportunity for cooperation. We agreed that we must make sure that this great river never becomes an object of competition or mistrust.”

UN Security Council briefed on South Sudan ceasefire violations

Under-Secretary-General for Peacekeeping Operations, Jean-Pierre Lacroix, told the UN Security Council on Wednesday (January 24) that violations of the Agreement on the Cessation of Hostilities (signed on December 21) and the continuing hostile propaganda undertaken by the parties against one another illustrated “a lack of genuine commitment to honor their words, and de-facto undermine the regional and international efforts to revitalize the peace process.” He said, “The South Sudanese parties must realize that the international community and the region will not continue to tolerate Agreements being signed, only to be violated in total impunity,” and urged Council members to speak out very clearly against these violations and take the decisive actions necessary to impose real consequences for the violators of the IGAD-brokered Cessation of Hostilities, Protection of Civilians and Humanitarian Access. IGAD’s High-Level Revitalization Forum is expected to resume on February 5, focusing on governance, transitional security arrangements and a permanent ceasefire, after an IGAD Summit to be held in Addis Ababa on Saturday (January 27) on the sidelines of the AU Summit.

Ursula Mueller, Assistant Secretary-General and Deputy UN Emergency Relief Coordinator, told the Council that the 2018 Humanitarian Response Plan for South Sudan aimed to assist six million people, more than half the population, and required \$1.7 billion. Leveraging new funding in the coming weeks would be critical. 1.5 million people were in emergency-level food insecurity, just one step away from famine, and around 20,000 people were already in famine conditions, she said. She warned the next lean season, which begins in March, was likely to see food security worsen. She noted that access challenges continue to delay and interrupt the humanitarian responses. In 2017, at least 28 aid workers had been and over 1,100 incidents were reported, the highest annual count since conflict started in 2013.

Festus Mogae, Chairperson of the Joint Monitoring and Evaluation Commission, said that six months of hard work had culminated with the successful convening of the IGAD High-level Revitalization Forum where 14 parties from South Sudan and other relevant stakeholders came together. The Agreement on the Cessation of Hostilities, he said, had a generally positive effect in reducing the level of violence. However, in the last few weeks, the agreement had been violated by “no fewer than three of the signatory parties”. He noted that Ceasefire and Transitional Security Arrangements Monitoring Mechanism (CTSAMM) teams were in place to verify ceasefire compliance and they deserved full respect and total cooperation. He stressed the IGAD-led revitalization process was the most effective platform to confront and resolve the severe security, economic and humanitarian crises that continued to overwhelm South Sudan.

The JKMEC Chair said the single most important contribution from the regional and international community would be to speak with one voice, emphasizing that unity between the United Nations, African Union and IGAD was necessary to bring about positive and sustained change in South Sudan. The speed with which some parties had violated the Cessation of Hostilities Agreement underlined the need for compliance. There must be a clear understanding among all parties of the consequences of non-compliance. He said: “It is now

time to revisit the range of practical measures that can be applied in earnest to those who refuse to take this process seriously and make clear to all concerned that the world will not tolerate any further disruption to our efforts to deliver peace.”

UN briefing on Somalia: progress despite ongoing challenges

The Special Representative of UN Secretary-General to Somalia, Michael Keating told the UN Security Council on Wednesday (January 24) that the Somali government was making headway in the areas of "financial reform, job creation, inclusive politics, conflict resolution and reform of the security sector," despite the steep learning curve. Giving a briefing to the Council, He said that to implement this agenda the Federal Government faced several major challenges, including the mobilization of adequate technical and financial capacity, ensuring coherent and coordinated approaches by both national and international actors, and managing powerful constituencies, such as federal member states, parliamentarians, clan power brokers, the private sector and international partners. Central to the process was gaining political agreement as to how power will be exercised, shared and accounted for. This requires progress in three key areas: review of the provisional federal constitution; preparation for elections in 2020-21; and conflict resolution and reconciliation. Immediate priorities included the development and adoption of the electoral law by the Parliament, reaching agreement on the system of representation, decisions on voter registration, and capacity-building and institutional development of the National Independent Electoral Commission, including in the federal member states.

The Special Representative underlined that the risk of famine continued after four consecutive failed rains. Noting the 2018 relief aid plan calls for \$1.6 billion, he said an estimated 6.2 million people were in need of humanitarian assistance and malnutrition had reached emergency levels in many locations. Mr. Keating admitted Al-Shabaab, now in its 12th year of insurgency, remained a potent threat, as illustrated by the deadly attack on October 14 which killed nearly 512, the largest single death toll from such attacks. To defeat it required both a military and political strategy, the use of both sticks and carrots, as well as sustained efforts to address deficits that lend extremists a degree of credibility. These deficits, he said, included corruption, lack of education and job opportunities for young people, weak national justice and corrections capacity, and grievances arising from unresolved disputes.

Ambassador Madeira, Special Representative of the Chairperson of the African Union Commission for Africa and Head of AMISOM, speaking from Addis Ababa, said AMISOM was in regular contact with the Government to discuss a ‘responsible’ withdrawal. He said AMISOM and the AU shared the Federal Government’s assessment that the Somali National Army was not currently in a position to take over from AMISOM. He emphasized the need for predictable and sustainable funding for AMISOM and the Somali security forces, adding the Mission expected generous contributions following the appointment of two AMISOM financing envoys.

Ambassador Abukar Dahir Osman (Somalia) underlined the Federal Government’s commitment to progress on security and financial reform. There had been close collaboration with federal member states on economic recovery, anti-corruption issues and reform. He said the existing arms embargo framework remained a major obstacle to the effective implementation of security sector reform. The Government was also committed to

implementing democratic, transparent and credible elections by 2020-2021 under the leadership of President Farmajo.

UK's Secretary for Development Assistance visits Mogadishu

The UK Secretary for International Development, Penelope Mordaunt, visited Mogadishu at the beginning of this week (January 21). Accompanied by the UK Ambassador to Somalia, Ambassador Concar, Ms. Mordaunt met with Prime Minister Hassan Ali Khayre and other government members. She also met with the UN Secretary General's Deputy Special Representative for Somalia and UN Resident and Humanitarian Coordinator, Peter de Clercq as well as UN humanitarian aid workers in Mogadishu, and was briefed on the extreme and challenging climate conditions Somalia will continue to face in 2018. The forecast is for low levels of rain, threatening crops and livestock, leaving half the population short of food and at risk of disease; and without sustained relief and recovery there is a real risk of famine in the near future.

Ms Mordaunt pledged an additional £21 million for immediate assistance, This would include the screening and treatment for 130,000 children at risk of acute malnutrition; the provision of nutrition support for over 300,000 vulnerable people including cash support; maintaining access to water and improved sanitation for over 155,000 people; providing food security and livelihood support to approximately 40,000 beneficiaries; and vaccinations for 12.5 million goats against respiratory tract diseases, benefitting over 2 million farmers. She also indicated the UK would provide a further £40 million to follow.

The UK Secretary for International Development held discussions with civil society and private sector representatives on ways to empower youth, women and marginalized groups, including disabled people, in the restoration of democracy and building a more inclusive economy. She said she was particularly pleased to meet with representatives from across civil society. She said she was interested in what services and analysis of needs were provided for disabled people because they were part of the solution to developing an economy. She told Goobjoog News that before coming out to East Africa, she had launched a new policy in the UK, putting women and children at the heart of humanitarian efforts, adding "It is important they are represented in the way we form those plans." Ms. Mordaunt expressed confidence in the work of the humanitarian agencies and emphasized the need for transparency and accountability in the use of donor funds. She said she was really pleased to learn how all the agencies were working in a more coherent way and trying to pre-empt problems before they arise. She said it was particularly important to demonstrate money was spent really well in order to keep international support flowing to the people who needed it.

Earlier, Ms Mordaunt had spent two days in Kenya to look at UK efforts to work with the Kenyan government to break down barriers to trade and encourage economic growth.

IMF's Executive Board: Growth in Ethiopia to stay high in 2017/18

The Executive Board of the International Monetary Fund (IMF) reported on the conclusion of its Article IV consultation with the Government of Ethiopia last week, noting growth is

expected to stay high in 2017/18. The Directors said that behind Ethiopia’s high growth at 8.5% for the year was “continued recovery from droughts and export expansion as new manufacturing facilities and infrastructure come online - offsetting the potentially dampening impact of restrictive macroeconomic policies.” The Board noted that Ethiopia had recorded annual average GDP growth of around 10% over the last decade. This had been driven by public investments in agriculture and infrastructure. It commended Government’s efforts in reducing poverty significantly from 44% in 2000 to 23.5% in 2015/16.

The report said GDP growth in 2016/17 was estimated at 9%, as agriculture rebounded from severe drought conditions in 2015/16. Industrial activity had also expanded, with continued investments in infrastructure and manufacturing. The current account deficit had declined in 2016/17 to 8.2% of GDP from 9.1% the previous year, reflecting lower drought-related imports and lower public sector capital goods imports. Due to investments in the new industrial parks and privatization inflows, foreign direct investment growth showed considerable progress of 27.6%.

The report identified key moves by the Government, including devaluation of the birr by 15% in October last year by the National Bank of Ethiopia, and the simultaneous increment of interest rates and adoption of a restrictive stance to minimize adverse effects on inflation. It also noted that Government policies envisaged under the second Growth and Transformation Plan (GTP II) were expected to underpin domestic private sector development and foreign direct investment. GTP II also envisages allocating significant resources to poverty alleviation and the social safety net as well as efforts to strengthen financial inclusion.

Overall, the Board commended Ethiopia’s impressive record of human development improvements and output growth over the last decade, and the effective policy response to the recent drought. It noted that the preconditions for export expansion and a transition to private sector-led growth, including investments in trade-enhancing infrastructure, were in place and private direct investment was growing strongly. The Board stressed the need to continue determined implementation of policies to reduce external imbalances. It commended the restrictive public sector borrowing policy to contain external debt and imports while protecting pro-poor spending, the devaluation of the currency to regain competitiveness, and the tight monetary policy to rein in inflation.

Directors also commended the progress in strengthening the legal framework for Public-Private Partnerships (PPPs) and urged the authorities to ensure that their use struck an appropriate balance between boosting private sector participation and minimizing fiscal risks. They noted PPPs, long-term concessions, and privatization of State Owned Enterprises could offer opportunities to fund critical infrastructure development. They referred to the importance of continued efforts to improve the business climate, promote financial inclusion, and improve governance. In this context, they also welcomed ongoing efforts by the Government to strengthen the compilation and dissemination of economic statistics, highlighting the importance of addressing data weaknesses in national accounts and public sector financial reporting.

The ADB’s 2018 African Economic Outlook report....

The President of the African Development Bank, Akinwumi Adesina, made a compelling case for accelerating Africa's industrialization in order to create jobs, reduce poverty and promote inclusive economic growth, speaking at the launch of the Bank's 2018 African Economic Outlook at its headquarters in Abidjan, Côte d'Ivoire, on Wednesday last week (January 18). New infrastructure financing gap estimates and innovative ways to raise funds for infrastructure development were among the highlights of the 2018 Report, and citing its data, Mr. Adesina said infrastructure projects were among the most profitable investments any society can make as they "significantly contribute to, propel, and sustain a country's economic growth." He added, "Infrastructure, when well managed, provides the financial resources to do everything else." Underlining economic diversification was a key to resolving many of Africa's difficulties, he urged African governments to encourage a shift toward labor-intensive industries, especially in rural areas. He said: "Agriculture must be at the forefront of Africa's industrialization," he said, emphasizing that integrated power and adequate transport infrastructure would facilitate economic integration, support agricultural value chain development and the economies of scale which drive industrialization. Mr. Adesina also announced that the Bank would organize the Africa Investment Forum in November in Johannesburg to mobilize funds for infrastructure development, to bridge an estimated funding gap of \$130-\$170 billion a year, up from previous estimates of US \$100 billion per year. This year's edition focuses on macroeconomic development and structural changes in Africa, and outlines economic prospects for 2018. It also provides brief country surveys.

...offers a positive view of Ethiopia's "Economic performance and outlook" ...

The ADB's report on Ethiopia's "Economic performance and outlook" said Ethiopia was steadily recovering from the 2015/16 and 2017 droughts, with continued expansion of services and industry and a rebound in agriculture. Services (39.3%) accounted for the largest share of GDP in 2016/17, driven by trade, transport, and communications, although this had decreased from 47.3% in 2015/16. Industry's share of GDP grew from 16.7% in 2015/16 to 25.6% in 2016/17, driven by construction, electricity, and manufacturing. Implementation of the export-led industrialization strategy supported growth in industry. Agriculture's share of GDP stagnated at 36%, but the sector's growth rate increased from 2.3% in 2015/16 to 6.7% in 2016/17 due to rising commodity prices, notably coffee. It underlined that growth continued to be led by investment in line with stable public infrastructure spending and higher foreign direct investment. Real GDP growth during 2017/18–2018/19, it said, will be led by greater agricultural productivity and strong industrial growth.

It noted the government's prioritized spending in pro-poor and growth-enhancing sectors, including education, health, agriculture, and roads, as well as revenue enhancing measures to increase tax collection. The monetary policy stance was consistent with the Central Bank's objective of maintaining low and stable inflation, with the implementation of a contractionary monetary policy to address inflationary pressures. Following devaluation merchandise exports increased 1.4%, while imports decreased 5.5%, reducing the current account deficit. The report said remittances remained stable at \$4.4 billion (6% of GDP) in 2016/17, while FDI increased by 27.6%, to \$4.2 billion.

Overall, the report described the economic outlook as positive due to sustained implementation of the government's export-led industrialization strategy and investors' positive outlooks. It welcomed the development of industrial parks and investment in energy which were likely to reduce the structural trade deficit and foreign exchange shortages while

supporting industrialization and job creation, noting that Ethiopia was ranked as the second largest FDI host economy among the least developed countries in 2016, supported by its large market and affordable labor force.

The report also underlined the dangers of weak exports, youth unemployment and impact of climate change. The development of industrial parks and devaluation of the birr should improve exports, but youth employment, the Bank said, required urgent attention, though it noted the government's establishment of the \$493 million Revolving Fund for Ethiopian Youth in 2016/17 to support youth entrepreneurship and job creation. It also emphasized that the negative effects of climate change had led to interventions to build resilience by focusing on drought-prone areas, in line with the Growth Transformation Plan II (2015/16–2019/20) and Climate Resilient Green Economy Strategy.

...and sees a decline in Eritrea's economic performance

The ADB's report on Eritrea said the economy had slowed more sharply than expected in 2016/17 due to dwindling economic activities and poor weather conditions that adversely affected agricultural productivity. Real GDP growth declined to an estimated 3.4% in 2017, from 3.8% in 2016, and was projected to remain between 3.7% and 3.8% over the medium term. GDP growth in 2016 and 2017 was driven largely by investment at the Bisha mine. Agriculture, which accounts for 17.2% of GDP, provided most of the population with a livelihood and accounts for about 44% of commodity exports. It said that over the medium term, the government saw further prospects in improved food production due to investment in masonry dams, additional mining activities, growth in services, and fisheries development.

The report said the overall budget deficit had continued to decline to an estimated 13.8% of GDP in 2017, as a result of more access to grants and concessional resources, increasing revenue from mining projects, and control of unproductive expenditures. It said inflation remained at an estimated 9% in 2017, driven by insufficient food supply and scarce foreign currency to finance imports of essential goods. Monetary policy was geared to maintaining price stability. Public debt was estimated at 105.8% of GDP in 2015. External debt to official creditors, which declined from 41% of GDP in 2010 to 21.9% in 2014, remained above the Sub-Saharan Africa average of 10.5%.

The report noted that low commodity prices for gold and copper exports remained an ongoing challenge though recent discovery of new gold deposits in commercial quantities would drive medium-term growth. Agriculture accounts for about 80% of employment in the rural economy and the government had launched an Agriculture Development Agenda that focused on agricultural value chains and the application of improved inputs to transform the sector. In energy, development partners, particularly the European Union, were investing in renewable energy. It noted the main corridor from Asmara to the ports of Massawa and Assab was being rehabilitated. The report pointed to Eritrea's unattractive business environment, ranking 189 out of 190 in the World Bank's 2018 Doing Business report, discouraging investment and its serious skills gap due to the poor quality of education infrastructure, jeopardizing human capital development, and constraining long-term inclusive and sustainable economic growth. It also noted that dependence on primary commodity exports and imports of food and petroleum products makes Eritrea "extremely vulnerable" to external shocks.

UNICEF says drought in Eritrea left half a million needing assistance last year

At the end of December 2017, UNICEF issued an assessment of its activity in Eritrea over the last year. It concluded that Eritrea, like other countries in the Horn of Africa, had been negatively affected by the adverse climatic conditions in the region. It said the continuing cyclical nature of drought and flooding left many communities at risk, impairing their ability to recover, and stretched resilience and coping mechanisms. The total number of children targeted for humanitarian interventions, including waterborne diseases such as diarrhea and moderate and severe acute malnutrition, had been 477,000 in 2017. UNICEF said its field monitoring reports indicated that “malnutrition and micro-nutrient deficiencies among children, poor sanitation and water coverage, and the presence of explosive remnants of war in certain areas are the primary humanitarian issues.” It quoted Epidemiology and Public Health Science data from 2010 that half of Eritrean children under-5 were stunted. It hoped that the planned EPHS data collection in early 2018 would provide updated figures, pointing out that the lack of data remained a major challenge for accurate assessments of the situation of children and women in Eritrea.

UNICEF’s report noted it had supported the government to reach 365,000 children, between 6 and 59 months old, with Vitamin A supplementation, and treated 41,700 with Moderate Acute Malnutrition and 16,000 with Severe Acute Malnutrition. The UNICEF Country Office had supported provision of supplementary food to over 48,000 persons, including more than 7,000 pregnant and lactating mothers. 116,000 children had been vaccinated for measles. Other campaigns had given hygiene education messages to thousands of people in the Northern Red Sea, Debub and Anseba regions and provided nearly eighty communities with access to safe sanitation. UNICEF had supported the training of community and facility health workers, and provided water treatment chemicals for communities affected by diarrhoea, treated thousands of cases of Acute Respiratory Infection, pneumonia, and over 1,500 cases of malaria.

UNICEF Eritrea had also given integrated mine risk education to 395 school teachers and thousands of school children. 5,000 landmine survivors and children living with disabilities were given psycho-social support. UNICEF helped more than 7,500 children from nomadic communities to access basic education and assisted in developing an Education in Emergencies policy to ensure preparedness of schools, providing fire safety equipment for 300 schools. It noted that while construction of schools in nomadic areas was delayed, UNICEF continued to support teacher training for mother-tongue education in remote areas.

During 2017, UNICEF appealed for USD 12,050,000 to meet the needs of children and women in Eritrea. As of December 31, 2017, it reported that its appeal had been only 42% funded.

