# A Week in the Horn 6<sup>th</sup> February 2015

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## **News in Brief**

#### Africa and the African Union

The 24th Ordinary Session of the African Union Head of States and Government Summit concluded over the weekend (January 30-31) in Addis Ababa with the adoption of a series of decisions and declarations on the activities of the African Union. The Summit was held under the theme of "Year of Women's Empowerment and Development towards Africa's Agenda 2063." President Mugabe of Zimbabwe was elected as Chairman of the African Union for this year. (See article)

A meeting of the Heads of State and Government of the African Union Peace and Security Council was held on Thursday last week (January 29,) to discuss and adopt decisions on the situation in South Sudan, the regional and international efforts to combat the Boko Haram terrorist group in Nigeria and the Ebola outbreak. (See article)

# **Ethiopia**

Prime Minister Hailemariam Desalegn told Parliament on Thursday (February 5) that the Government was working to keep the macro economy stable to maintain economic growth. This year, the economy is expected to grow by 11.4% with the industry sector contributing 23.7. He said the Government had worked to improve ties with neighboring and other countries and talks were carried out with the Djibouti, Kenyan, Sudan and Egypt governments to boost political and economic ties. (See article)

The inauguration of tests for the Addis Ababa Light Rail Transit project, the first such system in Sub-Saharan Africa, started at the beginning of the week. Prime Minister Hailemariam and other senior officials and thousands of people attended the inauguration ceremony on Monday (February 2). (See article)

First Lady, Roman Tesfaye, participated at a roundtable discussion to mark World Cancer Day on Wednesday (February 4) in Vienna.

South Korea's Education Minister Hwang Woo-yeo on a two day visit to Ethiopia will hold talks with Deputy Prime Minister Demeke Mekonnen as well as the Presidents of the Addis Ababa Institute of Technology and the Adama Science and Technology University. He will also meet with Prime Minister Hailemariam.

The Ethio-Djibouti Joint Ministerial meeting started on Thursday (February 5) in Djibouti with Ethiopian Foreign Minister Dr Tedros, leading a high-level delegation including Minister of Finance and Economic Development, Sufian Ahmed; Minister of Water, Irrigation and Energy, Alemayehu Tegenu; Minister of Transport, Workneh Gebeyehu; and other seniors government officials. (See article)

Water, Irrigation and Energy Minister Alemayaehu Tegenu met with Dr Hossam Mohammed Moghazi, Egypt's Minister of Water Resources and irrigation, in Addis Ababa over the weekend. They agreed on the need to expedite the selection and hiring of firms to conduct the two studies based on the recommendation of the report of the International Panel of Experts.

The Ministry of Culture and Tourism, together with consultants from the United Nations World Tourism Organization, has started the process of grading and accrediting 200 hotels in Addis Ababa and 400 hotels in the rest of the country. Hotels will be evaluated under twelve categories including fulfilment of all legal requirements for health, safety and security, fire and the environment. A hotel must achieve more than 80% to be awarded five stars.

The Ministry of Education has announced plans to construct 11 new universities during the second Growth and Transformation Plan starting next Ethiopian fiscal year. Construction of the universities is expected to take two years and on completion they will raise university enrolment to 600,000 in regular programs and raise number of higher learning institutions in Ethiopia to 42.

The Ethiopian Ambassador to the Sudan, Ambassador Abadi Zemo, speaking at the conference, "Renaissance Dam, optimum utilization of water resources", organized by the Peace and Development Studies Centre of Khartoum North University, with the Ethiopian Embassy in Khartoum, said the Dam would be of benefit to Ethiopia and neighboring countries.

Ethiopia's Ambassador to the United States, Ambassador Girma Birru, speaking at "Doing Business in East Africa," an occasion organized by the Embassies of Ethiopia, Kenya and Tanzania and the US Department of Commerce, welcomed the Department's decision to organize a "Business Development Conference and Trade Mission" to 8 African countries in September 2015. He also called for action to ensure uninterrupted continuation of the US African Growth and Opportunity Act.

## **Djibouti**

The Chairman of the EU Military Committee, General Patrick de Rousiers, visited the Spanish Maritime Patrol Aircraft 'Orion' Detachment based in Djibouti at the weekend. He was accompanied by officers from France, Portugal and Spain.

## **Eritrea**

The China Harbor Engineering Company Ltd last week signed a contract with the Eritrean Ambassador in Beijing to develop a 70,000 ton bulk cargo terminal and a 50,000 ton multi-purpose terminal for the Massawa New Port Project. The contract, for US\$400 million, will take 40 months to complete.

#### Somalia

In a new cabinet list released on Thursday (February 5), Prime Minister Omar Abdirashid Ali Sharmarke named a 26-member cabinet, adding six more ministers including security to the names announced last week. He also added the names of 14 State Ministers and 26 Deputy Ministers, many of them MPs, making a total of 66. The new cabinet ministers are expected to be presented to Parliament for a vote of confidence on Monday.

The Special Representative of the UN Secretary-General in Somalia, Nicholas Kay, briefed the Security Council on Wednesday (February 4). He said federalism and the Government's 'Vision 2016' initiative were vital but acknowledged that repeated political crises had shortened the timelines for their fulfilment. The Security Council issued a press statement expressing concern at the ongoing political crisis and encouraged all Somalia's political leadership, including President, Prime Minister and Parliament, to work together to establish quickly an inclusive and representative government. (See article)

Somali authorities on Tuesday (February 3) announced the capture of a senior Al-Shabaab commander in Somalia's Middle Shabelle region. On Saturday (January 31) a US airstrike is reported to have killed another top Al-Shabaab commander, Yusuf Dheeg.

The Federal Parliament on Wednesday expressed serious concern over the decision by the Merchant Bank of California to suspend Somali accounts from Friday (February 6). The decision will affect a number of Somali remittance firms and will prevent Somali Americans sending money to support families and relatives in Somalia, Kenya, Djibouti and Ethiopia. US Congressman Keith Ellison described the decision as 'catastrophic'.

The UNHCR said on Wednesday (February 4) that 1,274 Somali refugees living at the Dadaab complex in northern Kenya have voluntarily returned home since a pilot repatriation project was launched on December 8 last year. The UNHCR said the refugees who had arrived in Kenya after 2010 had reached their final destinations in Baidoa or Kismayo safely. Kenya, Somalia and the UNHCR signed a tripartite agreement on voluntary repatriation of Somali refugees living in Kenya.

Abdiweli Mohamed Ali, President of Puntland State, and Ahmed Madobe, leader of the Interim Jubbaland Administration, arrived in Mogadishu on Wednesday (February 4) for talks with President Mohamud and other officials.

Somaliland Minister for Foreign Affairs, Mohamed Bihi Younis, said at the weekend that Somaliland's expectation of the dialogue with Somalia was that the two countries should become two separate and neighborly states. He said Somaliland would also like to see a number of other countries participate in the talks.

#### **South Sudan**

President Salva Kiir of the Republic of South Sudan and Dr Riek Machar, former Vice President and leader of the South Sudan Liberation Movement/Army-in-opposition signed an agreement on Monday: the "Areas of Agreement on the Establishment of the Transitional Government of National Unity (TGoNU) in the Republic of South Sudan". (See article)

United Nations Secretary-General, Ban Ki-Moon, on Tuesday (February 3) urged South Sudanese President Salva Kiir and his former Vice-President, Riek Machar to put the interests of their people ahead of their own. He regretted neither of the principals had been prepared "to compromise on a mutually acceptable power-sharing formula."

## Sudan

Sudan and South Africa agreed to form a joint ministerial committee to reinforce economic cooperation between the two countries. The agreement was signed on Sunday (February 1) during the two day visit of South African President Jacob Zuma to Sudan during which he held talks with President Omer Al-Bashir.

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## Outcome of the 24th Ordinary Session of AU Heads of State and Government

The 24th Ordinary Session of the African Union Head of States and Government Summit was concluded over the weekend (January 30-31) in Addis Ababa with the adoption of a series of decisions and declarations on the activities of the African Union. Held under the theme of "Year of Women's Empowerment and Development towards Africa's Agenda 2063," the Summit gave due consideration to the centrality and urgency of promotion of gender equality and women's empowerment in Africa. The theme in itself is indicative of the indispensability of women as a driving force for the realization of the vision and action plans for a secure, integrated, people-centered, prosperous Africa at peace with itself. The Summit's adoption of key decisions and declarations emphasized a Pan-African political and economic solidarity embodying an Africa that will epitomize the shared wellbeing and dignity of its people and its Diasporas.

The opening ceremony was marked by statements delivered by Dr Dlamini Zuma, Chairperson of the African Union Commission; Mr Ban Ki-Moon, Secretary General of the United Nations; and Mr Mohammed Ould Abdelaziz, outgoing Chairperson of the African Union. Others who addressed the summit included Mr

Mahmoud Abbas, President of the State of Palestine and Chairperson of the Palestine Liberation Organization; Dr Nabil El Arabi, Secretary-General of the League of Arab States; and Mr Sam Kutesa, Minister of Foreign Affairs of the Republic of Uganda and President of the 69th United Nations General Assembly. During the Summit, Robert Mugabe, President of Zimbabwe, was elected as the new Chairperson of the African Union.

Dr Dlamini Zuma, Chairperson of the AUC, opening the summit, stressed the need to forge a cooperative, collective and holistic approach to the emerging threats facing the continent. She underlined the need to consolidate and deepen partnerships with the African private sector to champion a stable, united and developed continent. The Chairperson reiterated the significance of championing a tolerant, accountable, democratic and inclusive culture as well as including inclusive social and economic development to address challenges. She noted Africa has been determined to realize peace and stability as well as restore the dignity of the African peoples, and in this respect Agenda 2063 encompassed the voices, demands and aspirations of the people of Africa and of the Diaspora. She emphasized this was the way to prevent poverty, disease and hunger; manage diversity; and silence the guns. Agenda 2063, she said, was "a call to action" for everybody.

UN Secretary-General Ban Ki-Moon, commending the focus of the Summit's theme in making women's empowerment the center of the discussion, welcomed the development of Agenda 2063. He urged the leaders of African countries to improve the lives and livelihoods of women. He commended the support extended by the African peoples and their governments to Ebola-affected countries and the progress being made. He said that joint efforts were delivering practical results in securing peace and stability in Africa and he underlined the need to scale these up to bring peace and stability in South Sudan. He also noted that African troops were now "a backbone of our peacekeeping capacity and we rely on the full cooperation of national governments that host UN peacekeeping missions." He referred to the scourge of terrorism affecting African countries and the need to deal with this, also emphasizing that counter-terrorist efforts should take respect for human rights into account. He expressed his hope that the many elections in Africa this year would be conducted in a peaceful and democratic way.

The summit provided Heads of State and Government of the Union with the opportunity to discuss and deliberate on the challenges facing the continent and the gains made so far in the realization of a developed, stable and united Africa. Central to the discussions was the adoption of a strategic development framework, Agenda 2063, which aims to put the future demands and aspirations of the African peoples on a more secure and solid footing. It prioritizes inclusive growth, sustainable development and structural transformation in order to build an integrated, prosperous and stable Africa, "driven by its own citizens and representing a dynamic force in the global arena." The adoption of Agenda 2063 manifests, to use the words of the Union's Newsletter, the "continuity of desires between the [founding fathers] and the present generation of Africans despite dramatic changes in context."

President Robert Mugabe, newly elected Chairperson of the Union, on the adoption of the AU Agenda 2063 framework, said "we have rededicated ourselves to the Pan-African ideals of our founding fathers for the Africa we want", and added that "the adoption of the Agenda 2063 framework by this assembly represents an important milestone in our development." In similar fashion, the Chairperson of the Commission, Dr Dlamini Zuma, described Agenda 2063 as a grand vision that would allow Africa "to diversify our economies and industrialize; to have the skills and entrepreneurial revolution, unleashing the creativity and energy of our young people, and to effect an agricultural and agro-processing transformation."

The Assembly, applauding the efforts made by the Chairperson of the Commission and the role played by the Commission in battling the Ebola virus in West Africa, reiterated the need to extend the mandate of the African Union Support to the Ebola Outbreak in West Africa (ASEOWA). The Assembly welcomed the solidarity demonstrated by member states, partners and the private sector and the services provided by health volunteers to the people of Guinea, Liberia and Sierra Leone. It appealed to member states and other stakeholders to extend their support to the Ebola-affected countries and urged member states of the Union, who had not yet done so, to lift all restrictions imposed on Ebola-affected countries. It requested that the international financial institutions and partner countries cancel the debt of the three affected countries, to help address the challenges facing Guinea, Liberia and Sierra Leone as well as assist in mapping out a long-term plan for their socio-economic recovery and development. The Assembly, approving recommendations to urgently convene a Global Conference on the Ebola Epidemic, requested that the Commission work in concert with all stakeholders; and called on the scientific community to speed up efforts to find a vaccine for the disease. The Assembly endorsed the establishment of the African Centre for Disease Control and Prevention (African CDC) and noted with satisfaction the Commission's efforts to hasten the establishment of the Centre

by mid-2015. It approved the decision that "the coordination office should initially be at the Headquarters of the African Union in Addis Ababa," and decided that the Commission should be tasked to raise funds from Member States, partners and the private sector.

Another major decision taken at the Summit demonstrated continent-wide solidarity and cooperation against Boko Haram. The Assembly approved the engagement of the Lake Chad Basin Commission and the Republic of Benin as well as the creation of the Multinational Joint Task Force (MNTF) in the Lake Chad Basin to combat the threat posed by Boko Haram militants in Nigeria and neighboring countries. The Assembly appreciated Chad's timely intervention to assist Cameroon in dealing with Boko Haram elements and urged all member states to extend support towards dealing with Boko Haram. UN Secretary-General, Ban Ki-moon, welcomed the decision to collectively put a stop to the "murderous campaigns" carried out by Boko Haram and said "many lives depend on preventive-diplomacy and peacekeeping." He underlined the need for continent-wide cooperation with the UN and reiterated that "The murderous campaign waged by Boko Haram" necessitated "stronger and more coordinated action from us all. Regional and international efforts must focus on protecting communities in northern Nigeria and across borders. More than a million internally displaced people and refugees must be able to return home." The UN Secretary-General also said that the UN endorsed the plans to fight the terrorist group but it was important that a Multinational Joint Task Force remained attentive to UN human rights policies.

The summit heard the report of the Peace and Security Council on the state of peace and security in Africa featuring progress in peace-building and post-conflict reconstruction, in the Comoros and Madagascar, as well as the continuation of the reconciliation process in Côte d'Ivoire and in Guinea-Bissau. The Assembly commended the "excellent work" done in the Central African Republic by the International Support Mission to the Central African Republic (MISCA) and those countries contributing troops and police. It also appreciated the logistical, technical and financial support provided by member states and international partners to the MISCA. Noting with satisfaction the activities being carried out for the full operationalization of the African Peace and Security Architecture, the Assembly expressed its concern over security challenges that impede socio-economic development and unleash debilitating humanitarian repercussions as well encourage the negative imagery of Africa. It expressed its concern about the ongoing attacks of terrorist and violent extremist groups in the continent, including Al-Shabaab, the Lord's Resistance Army (LRA), Boko Haram, Al-Qaida in the Islamic Maghreb (AQIM), the Movement for Oneness and Jihad in West Africa (MOJWA), al-Murabitun and the Ansar al-Sharia groups. Recognizing these security challenges facing the continent, the Assembly took a decision to support the deployment of the African Capacity for Immediate Response to Crises and the African Standby Force rapid deployment capability.

The Assembly also endorsed the fifteenth report of the Committee of Ten Heads of State and Government on the Reform of the United Nations Security Council stressing the need for Africa to "continue to speak with one voice and cohesively on all issues relating to the United Nations Security Council reform and related matters." It further reiterated the importance of championing the interest of Africa in the on-going Intergovernmental Negotiation on Security Council reform.

Another important area in which the Assembly passed decisions was the report of alternative sources of financing for the African Union, calling upon all member states to live up to their "contributions and arrears to the Union." The Ad-hoc Ministerial Committee on the Scale of Assessment was requested to hold consultations in an open-ended manner in order to devise modalities for the effective and practical implementation of alternative sources of financing for the Union.

The Summit reached a decision on Africa's engagement at the UN Climate Summit and the Lima Global Climate Change Conference (COP2O/CMP 10). The Commission was requested to take the lead in facilitating the implementation of the AU's High Level Work Program on Climate Change Action in Africa (WPCCAA), which is responsible for mapping out the "blue print for climate action in Africa." The Commission was also requested to devise a mechanism "for follow up and regular reporting to the Summit on its implementation." The Assembly, after hearing the report of the High Level Committee on the Post 2015 Development Agenda, endorsed the formation and terms of reference of the African Group of Negotiators on the Post 2015 Development Agenda, identifying it as "the single negotiating body acting on behalf of the continent." The Assembly, which considered the Common Africa Position (CAP) as the "sole negotiating document for Africa," urged Member States to abide by CAP's provisions throughout all negotiations with regard to the Post-2015 Development Agenda. It also appealed to member states to partake in and let the continent's voice be heard at the 3rd International Conference on Financing for Development, to be held in Addis Ababa in July this year.

South Africa's offer to host the 25th Ordinary Session of the Assembly of the African Union in June/July 2015 was accepted.

Among the other activities of the Summit was adoption of the Report of the High Level African Trade Committee (HATC) on trade issues and the report of the Heads of State and Government Orientation Committee (HSGOC) on NEPAD. The Summit agreed to the setting up of an African Centre for Information and Communication Technologies in N'djamena. It also endorsed reports on the World Trade Organization (WTO) and the African Growth and Opportunity Act (AGOA), and the report on the status of preparations for the 11th African Games due to take place in Brazzaville, Republic of Congo in September 2015.

President Mugabe of Zimbabwe, newly elected Chairperson of the African Union, speaking at the closing of the two-day Summit, said that "during the past two days, we have had a frank, robust and fruitful exchange of views on key challenges confronting our continent." He noted with satisfaction the adoption of the Agenda 2063 framework, adding that "to achieve this objective, we have to intensify our efforts to add value and benefit from our mineral resources as well as to industrialize and create employment for our people, especially our youth." He appealed to all Members States to remain committed to the practical implementation of all the decisions adopted at the Summit "as that is the only way African states will leverage their resources for the benefit of their people." The Chairperson, noting that the people of Africa, including women and youth, "are the greatest asset for Africa" underlined the theme of this year's Summit: "women empowerment and development towards agenda 2063". Welcoming the solidarity displayed by all African countries and peoples in providing support to Ebola affected countries and combating the Ebola epidemic, the Chairperson also urged all the Member States to respond positively in the decision adopted by the Summit on the alternative sources of financing the African Union's activities.

## The Peace and Security Council meets on South Sudan, Boko Haram and Ebola

The 484th meeting of the Heads of State and Government of the African Union Peace and Security Council was held on Thursday last week (January 29,) during the Assembly of AU Heads of State and Government. The Council discussed and adopted decisions on the situation in South Sudan, the regional and international efforts to combat the Boko Haram terrorist group in Nigeria and the Ebola outbreak.

In a briefing on the South Sudan peace process, the AU Commissioner for Peace and Security, Ambassador Smail Chergui, described the current intra-South Sudan People's Liberation Movement (SPLM) consultations in Arusha-Tanzania as promising. He also noted that the establishment of the AU High-Level Ad-hoc Committee had strengthened the IGAD-led mediation. The Committee is made up of Heads of State and Government, one representative from each of the five regions of the Continent. South Sudan's Foreign Minister. Dr Barnaba Marial Benjamin acknowledged the work of IGAD and the unreserved efforts of the current chairperson of IGAD, Ethiopian Prime Minister Hailemariam Desalegn, to bring a peaceful and lasting solution to the conflict in South Sudan.

Prime Minister Hailemariam urged both parties to commit themselves to peace and come up with a solution to bring an end to the humanitarian crisis which has already claimed thousands of lives and displaced hundreds of thousands, as well as subdued the hopes for regional economic development and integration which many had hoped for after the peaceful conclusion of the CPA in 2011 and the birth of the new nation. He said it was a tragedy not only for the Republic of South Sudan but to all in the region: "The suffering of our sisters and brothers in South Sudan is being felt deeply and painfully." He emphasized that as the leaders had the power of making or breaking in their hands, they must immediately halt the suffering of the people who have sacrificed so much for so long to bring peace and reconciliation to their nation. The lack of trust between the conflicting parties had, he said, been the major impediment of the peace process, but the human suffering could not continue endlessly. He expressed his hope that the negotiations on the peace process would bear fruit in the shortest possible time. Otherwise, he added, IGAD would be forced to place sanctions against all parties that continue to undermine the Cessation of Hostilities Agreement and obstruct the political process. He said IGAD would seek the support of the UN Security Council for this.

Prime Minister Hailemariam stressed the need for the Peace and Security Council and the AU Commission as well as other partners to continue to support the IGAD process. He called upon all parties to be together, to speak with one voice, so that the efforts to bring peace to South Sudan would not be diluted by duplication of effort, which would further complicate the peace process. The Council had been due to hear the report from the African Union Commission of Enquiry on South Sudan. However, it decided to delay this, to provide a further chance for the warring parties to reach an agreement and avoid further complication of the ongoing

process of negotiations. Former Nigerian President Olusegun Obasanjo, who headed the enquiry said he hoped that a quick peace deal would be immediately followed by the publication of the report: "it is our fervent hope that the recommendations contained in the report will be implemented to ensure healing, reconciliation and accountability and sustainable good governance in South Sudan."

Ambassador Chergui also briefed the Council on the terrorist activities of Boko Haram. He said the atrocities of the group were increasing day by day and its horizon of activity was expanding into neighbouring countries. The attacks, killings and other abuses committed by Boko Haram had led to massive internal displacement in Nigeria, with significant population flows from the Borno, Yobe and Adamawa States of Nigeria into Cameroon, Chad and Niger. This, he said, was straining resources in these countries and creating risk of tension between refugees and host communities. This was underlined by statements from representatives of the Member States of the Lake Chad Basin Commission (LCBC) of Cameroon, Chad, Niger and Nigeria. In its communiqué, the Council expressed satisfaction over the practical steps agreed upon by the Niamey meeting of January 20, including the establishment of the Headquarters of the Multinational Joint Task Force (MNJTF) and the creation of a secure communications network for the security forces operating in and around the Lake Chad Basin. The council endorsed a regional task force of some 7,500 soldiers to fight Boko Haram militants for a period of 12 months.

As the activities of the Boko Haram terrorist group constitute a serious threat not only to Nigeria and the region but also to the entire continent, the members of the PSC and invited guests firmly pledged concerted action through support from member states in monetary terms and logistics. The Council decided that, within the framework of the mandate outlined, the MNJTF contingents should carry out military operations to prevent the expansion of Boko Haram and activities of other terrorist groups, and make every effort to eliminate their presence. It, therefore, welcomed the adoption of a presidential statement by the UN Security Council, on January 19, calling, inter-alia, for increased international support to enhance the operational capacity of the MNJTF. This urged the UN Security Council to adopt a resolution to endorse the deployment of the MNJTF, in line with the request made by the LCBC Member States and Benin at their Abuja meeting of 13 October 2014. It authorized the establishment by the Secretary-General of a Trust Fund for the sustenance of MNJTF operations, and called for the provision of international support to the MNJTF and other related efforts against Boko Haram and other terrorist groups.

The AU Commissioner for Social Affairs, Mustapha Sidiki Kaloko, briefed the Peace and Security Council on the Ebola outbreak, he said that although there were increasing signs of the epidemic slowing down, it was important that the actions in support of the countries affected should continue without any decline. He described the study by the ECA and AfDB to assess the level of support needed for the extension of the operations of the Mission of African Union Support to Ebola Outbreak in West Africa (ASEOWA) as an important step.

The Council's communiqué commended the efforts of the African Union Commission and other stakeholders to respond to the Ebola Outbreak in West Africa. It called on others who have not yet joined the effort and extended the necessary support to ASEOWA. It also extended its appreciation to the African private sector for responding generously to the appeal made by the Chairperson of the Commission and contributing to the Africa Against Ebola Solidarity Fund established by the AU. Noting the improvement of the situation in the Ebola-affected countries of Liberia, Guinea and Sierra Leone, the Council reiterated its deep concern over the negative impact of the epidemic on the socio-economic fabric of those countries. It called for efforts to enhance post-conflict reconstruction and socio-economic development efforts in the affected countries. It also reiterated the importance of the speedy establishment of the African Centre for Disease Control and Prevention as stipulated on the 16th Extraordinary Session of the AU Executive Council and urged member states to refrain from stigmatization, travel bans and border closures against people from the affected states. The Council accepted a proposal from Namibian President, Hifikepunye Pohamba, to name its new building after former Tanzanian President Julius Nyerere.

## South Sudan's warring parties sign agreement in Addis

President Salva Kiir of the Republic of South Sudan and Dr Riek Machar, former Vice President and leader of the South Sudan Liberation Movement/Army-in-opposition, signed an agreement on Monday: the "Areas of Agreement on the Establishment of the Transitional Government of National Unity (TGoNU) in the Republic of South Sudan".

The signing ceremony was attended by Prime Minister Hailemariam Desalegn of Ethiopia, Chairperson of IGAD, President Uhuru Kenyatta, of Kenya, IGAD Rapporteur for South Sudan, Engineer Mahboub Maalim, Executive Secretary of IGAD, and Ambassador Smail Chergui, AU Commissioner for Peace and Security, as well as IGAD partners and other dignitaries.

During the occasion, Prime Minister Hailemariam urged the two principals to respect what they have signed: "I am confident that the two leaders will respect what they have signed today. In the coming meetings in February, we will see a comprehensive peace agreement signed. This is what the people of South Sudan are expecting and the people of the region and the international community are expecting from the leaders". The Prime Minister noted that: "failure to do so will have grave consequences to all of us and specifically to the leaders of South Sudan." President Uhuru Kenyatta expressed optimism over the positive prospect this development holds for South Sudan: "All of us are truly hopeful that we will be here in just about a month's time to witness a comprehensive peace agreement concluded; [we] would see a transitional government in place to prepare South Sudan for elections and ultimately for the will of the people to prevail."

The agreement stipulates the establishment of a Transitional National Unity Government (TGoNU) not later than July 9. This will have a term of 30 months, and it will be preceded by a transitional period of three months. Under the agreement the TGoNU is mandated to carry out a number of activities aimed at creating an enabling condition for a successful post-conflict transition. These include dealing with the relief and humanitarian affairs including return of IDP's, and a process of national reconciliation and healing. In the area of justice and accountability the two sides agreed on the formation of an independent truth and reconciliation commission that is mandated to "address the legacy of conflict", with participation of eminent African personalities, and verify human rights violations during the conflict and facilitate a local as well as a national healing processed. An independent judicial body composed of South Sudanese and prominent international jurists will also be established to prosecute individuals bearing the greatest responsibility.

The Agreement also envisages a detailed power sharing formula between the two sides to be negotiated to apportion ministerial portfolios. IGAD submitted its own proposals to the parties on government structure and power sharing based on a 60-30-10 formula, for Government (60%), SPLM-in-Opposition (30%) and other groups including SPLM (former detainees) (10%).

The TGoNU will also be responsible for consolidation of peace and security. The Agreement recommitted the two parties to respecting the 23 January 2014 Cessation of Hostilities Agreement, and the Implementation Matrix signed earlier. A permanent ceasefire will come into effect 72 hours after the signing of final peace agreement. Any violation of the Cessation of Hostilities Agreement will result in the reporting of the actual violators to the African Union Peace and Security Council and the UN Security Council. The Parties also agreed to negotiate further on the Transitional Security arrangements. The TGoNU will establish a national election body, over-see the permanent constitution-making process, reconstruction of destroyed physical infrastructure and security sector reform. The two sides also agreed on the establishment of a Joint Monitoring and Evaluation (JMEC) mechanism having a broad mandate of overseeing the implementation of the current agreement and the detailed final peace deal. This will include monitoring proper discharge of the mandate of the TGoNU and the adherence by the two parties to the required timeline. The JMEC will have power to recommend corrective measures where such action is deemed necessary.

While the agreement on Monday outlines the mandate of the proposed Transitional Government of National Unity to implement a final peace agreement and many of the areas which it will cover, none of these have yet been agreed. Almost all the details have yet to be negotiated and signed. As the Chairman of the IGAD Special Envoys, Ambassador Seyoum Mesfin, made clear, the final round of peace talks will resume on February 20 with the aim of finalizing a comprehensive peace agreement no later than 5 March 2015. A transitional government will be formed by July 9 only after a final peace agreement is signed. There has been no agreement yet on the leadership structure or on the power-sharing ratios. There has been agreement on the size of the proposed cabinet (29 national ministers and 8 deputy ministers) but the portfolios will only be allocated by a committee from representatives of the parties following a yet-to-be reached power-sharing agreement. The parties have agreed on a 30-month period for the transitional government to be preceded by a 3-month pretransitional period, but again this will only commence after a final peace agreement is signed. Other details include agreement that the transitional government will also conduct a population census prior to elections and organize elections at the end of the 30 months period with a new electoral commission being set up.

This agreement came after long discussions last week between the Principals and with the IGAD Heads of State who met to consider the situation in South Sudan and the progress of the peace process. The two principals were invited to Addis Ababa by Prime Minister Hailemariam, Chair of IGAD. Prior to the meeting, the Special Envoys had also made additional efforts to give emphasis to the peace process, consulting the Principals both in Addis Ababa and Juba as well as Khartoum when a meeting was organized by the Government of the Peoples' Republic of China last month and inviting the chief negotiators to Addis Ababa to draft an agenda for the discussions – this was when the issues of a structure for a national government and for power sharing were defined. The IGAD Envoys in fact drafted these suggestions following their consultations in Juba and Addis Ababa.

Despite the details left unresolved, the agreement has some important elements, not least the decision by the Principals to continue their dialogue since the parties have yet to agree on the structure of government and the executive, on the council of ministers, power sharing between the Principals, the legislative assembly or the transitional security arrangements, though these were all on the agenda. None have yet been finalized though the two sides have come close to agreement on the structure of government and executive. The Parties also rededicated themselves to the Cessation of Hostilities Agreement of January 23, 2014, and agreed that any future violations of the Cessation of Hostilities Agreement would be referred to the AU Peace and Security Council and the UN Security Council. Ambassador Seyoum noted later that "complete cessation of hostilities in South Sudan is expected as of this morning (Monday) February 2." In addition, a detailed timeframe was laid down with further negotiations on the contentious issues of a future government and power-sharing and other areas, to start on February 20 and end by March 5.

United Nations Secretary-General, Ban Ki-Moon, on Tuesday (February 3) took note of the outcome of the negotiations and called on the leaders to prepare for the next round of talks that would focus on expeditiously ending the conflict. He urged South Sudanese President Salva Kiir and his former Vice-President, Riek Machar to put the interests of their people ahead of their own in order for peace to flourish. In a statement issued in New York, the Secretary-General said he regretted neither of the principals had been prepared "to compromise on a mutually acceptable power-sharing formula." He also called once again on both parties to "urgently and strictly" adhere to the Cessation of Hostilities agreement signed on 23 January 2014, and underscored "the urgent need for both the President and former Vice President to agree on a comprehensive and inclusive peace agreement". This, he said, should also address key institutional reforms, including economic governance, reconciliation, and accountability for the crimes committed since the beginning of the conflict in a manner consistent with international standards. The Secretary-General commended the efforts of the IGAD Mediators and of the IGAD Heads of State and Government "for their tireless efforts and commitments" to broker a peace agreement, and said the UN stands by ready to assist in efforts to engage all involved parties.

# Prime Minister Hailemariam delivers six-month report to parliament

Prime Minister Hailemariam presented the government's first report of the fiscal year to the House of Peoples' Representative on Thursday (February 5). The Prime Minister underlined that Ethiopia's rapid growth was continuing with Gross Domestic Product (GDP) reaching 1.1 trillion birr and GDP per capita now standing at US\$ 632. Discussing the transformation of the economy, he noted that the contribution of the agricultural sector to GDP had dropped from 45% to 40% while industry had increased from 11% to 13%. The service sector share in the economy has also marginally increased from 45% to 46%. The Prime Minister said the economy is expected to register 11.4% growth for the whole year and the agricultural sector is therefore expected to grow by 8.5% overall, while industry and the service sector are expected to grow by 23% and 9% respectively. He noted that the revenue from the export sector although reaching US\$60.3 million had fallen short of the amount from the same period last year. Revenue from gold, textile and horticulture falling short of targets while coffee and cut-flowers have increased. The total cost of imports was US\$10.8 billion.

In regard to public finance, Prime Minister underlined that the Government was working to curb contraband and regularize the informal sector in order to expand the tax base. In the past six months, revenue of 69.5 billion birr had been collected from tax and non-tax revenue sources. This was an increase of 16.4% compared to the equivalent period in the last Ethiopian fiscal year. While noting that the activities to increase national savings were having tangible effects, he also underlined that a huge effort was needed to increase public revenue. The Prime Minister said Ethiopia's public debt level was one of the lowest in the world. He also noted that the rating agencies which had rated Ethiopia B and B+ had helped the country to achieve success with the one billion dollar bond sale. This would make a substantial contribution to increasing investment inflows.

Referring to development of the agricultural sector, the Prime Minister said that activities undertaken to increase productivity were bringing commendable results. In the current fiscal year, 28.7 million tonnes of agricultural produce are expected to be harvested. In manufacturing, he said the Government was working to alleviate major bottlenecks associated with infrastructural development and provision of land. He stressed that expansion of industrial zones would be given due attention to encourage the growth of the manufacturing sector. Small and Medium Enterprise Projects had created over one million jobs over the past six-months, he said; and the housing project had constructed 159,000 condominiums over the past four and half years. The Prime Minister noted that the Grand Ethiopian Renaissance Dam was now 40% complete; the Gilgel Gibe III Dam project 89% and the Genale Dam project 66% complete. The Addis Ababa Light Railway project was 87% complete; and the Addis Ababa–Dewaleh project 80% complete and should become operational next Ethiopian year. In addition, the Prime Minister mentioned that women's participation in local government councils has reached 32; remarkable achievements had been made in reducing the maternal mortality rate by 69% over the past 20 years. Prime Minister Hailemariam welcomed the widespread and active participation in the forthcoming election and urged everyone to ensure that the election in May would be free, peaceful and fair.

The Prime Minister also spoke on foreign policy, underlining that Ethiopia's policies of mutual cooperation and mutual benefit were yielding positive results in the strengthening of cooperation with neighboring countries and partners. He said the Ethiopian Public Diplomacy mission to Cairo had been successful in promoting Ethiopia's stance over equitable utilization of the Nile Waters. He said the Government's engagement with the Government of Egypt had resulted in the resumption of the Tripartite Talks. These were continuing. The Prime Minister said the sanctions imposed on Eritrea should be fully applied and continued as Asmara was continuing its efforts to destabilize the region. He said the international community was well aware of Eritrea's behavior. The Prime Minister welcomed the 10 year strategic plan signed between Ethiopia and China to boost their strategic partnership particularly in the area of infrastructural development. He also hailed the US-Africa Summit as an important landmark in promoting relations between the two areas, and he cited President Obama's remark that Ethiopia provided an exemplary model of progress and security and the US's desire to strengthen cooperation. He said his visit to Germany had been successful, allowing vital discussions on bilateral and regional matters; and the German Government's announcement that it would provide financial guarantees for investors in Ethiopia was important for attracting investment.

The Prime Minister also briefed the House on the strategic partnership with Djibouti which he said was expanding in all possible areas of cooperation. He noted that the bottlenecks that had occurred in port service and logistics had been addressed after successful political consultations, and referred to the successful meetings of border administrators which had helped to alleviate problems. Overall, the Prime Minister said Ethiopia's strategic partnership was continuing to grow, and he said Ethiopia wanted to bring the bilateral relations of the two countries a notch higher by scaling up social and economic ties in addition to security and military cooperation operating at the level of joint border patrolling.

The Prime Minister highlighted efforts being made to increase Diaspora participation in the economy and in Ethiopia, and reminded the House of the dedication of the year 2007 as Diaspora Mobilizations' Year. He said efforts were underway to put in place the necessary regulatory framework to launch the Diaspora housing program.

Following the presentation of his report the Prime Minister responded to questions. On the question of agricultural investment, he noted the Government was working to rectify bottlenecks that had been delaying projects and said it was undertaking detailed studies on **land prepared for agricultural investment**, focusing on identifying suitable land for agricultural products and improving infrastructure. He acknowledged that maladministration at local government level had played a role in causing problems for agricultural investment. The Government was working to resolve this. He told the House that the Government would not tolerate political parties that attempt to disrupt the election process, and he regretted smear campaigns against the National Electoral Board. This, he said, showed disrespect to the institutions established by the House and the Ethiopian People. He said that parties should rather consider their own internal cohesiveness or lack of it, rather than blame the Board for any internal divisions. The Prime Minister emphasized that the Government will continue working to increase the numbers of women in decision-making roles at all levels.

On South Sudan, the Prime Minister noted that Ethiopia would continue to support the efforts to enable the South Sudanese factions to reach a final peace settlement to bring lasting peace to their country. He cited IGAD's unrelenting attempts in this, hosting eight mediation meetings. He said **Ethiopia was currently** 

hosting a number of South Sudanese refugees equivalent to the population of the Gambella Regional State. He said Ethiopia's role was supportive and it was the leadership and the people of South Sudan who must bring peace. The Prime Minster also responded to a number of other questions on development, on tax, and on pastoralists as well as other issues.

## Ethio-Djibouti Joint Ministerial Commission meeting in Djibouti

This week the 13<sup>th</sup> Ethio-Djibouti Ministerial Commission took place in Djibouti. The Ethiopian delegation was led by Foreign Minister Dr Tedros Adhanom, heading a delegation including the Minister of Finance and Economic Development, Sufian Ahmed; the Minister of Water, Irrigation and Energy, Alemayehu Tegenu; the Minister of Transport, Workneh Gebeyehu, and other senior government officials. The Djiboutian delegation was led by Foreign and International Cooperation Minister, Mahamoud Ali Youssouf, with other ministers and officials. The Joint Ministerial Commission meeting was preceded by three days of experts' discussions and negotiations on various items, with consultations taking place in three clusters: the political and social cluster, economic and commercial issues, and the port and transport cluster. The experts presented the agreed minutes of their consultations to the Joint Ministerial Commission.

The Joint Ethio-Djibouti Ministerial Commission meeting started on Wednesday (February 4). In his opening remarks Foreign Minister Dr Tedros emphasized the long standing relations of the two peoples, noting that "our peoples have lived in harmony for centuries. Our cultural and social ties span millennia and are a testimony to our close links." The Minister said "Ethiopia attaches a particular importance to its relations with the Republic of Djibouti and we are keen to further enhance these." He expressed his pleasure at this special meeting, the 13<sup>th</sup> Joint Ministerial Commission meeting, adding that this would "elevate the joint ministerial commission to summit level."

Dr Tedros said the region has been affected by conflict and under-development for a long time and this had visibly affected the living standards of the peoples in the region. However, with impressive recent developments, he said "today the region has declared 'enough is enough' and it is beginning to move beyond instability and conflict, concentrating on mutual cooperation and economic integration" He said a prime example of this could be seen in Djibouti with the peaceful settlement of internal differences with the signing of a framework agreement with the National Salvation Union.

The Minister noted the success of the Ethio-Djibouti Ministerial Commission in bringing multi-sector cooperation to Ethiopia and Djibouti. He said the political and economic committees of the two Commission countries had assessed the level of implementation of bilateral cooperation between the two countries in the areas of peace and security, port services and trade and infrastructural interconnections. He also said the Joint Border Administrators' Commission and the Joint Military Committee had a significant impact in resolving security problems along the borders, bringing together local and state officials at all levels in both countries and in minimizing destabilizing and terrorist activities. Equally, he underlined, firm cooperation in these sectors could also be strengthened through economic integration and investment ties. He said a lot still remains to be done to benefit fully from the economic cooperation of the two countries. Dr Tedros confirmed a considerable number of Djiboutian investors have taken licenses in different sectors in Ethiopia and some of their projects had started operations. He also praised the work of the joint experts of the Commission for their work in preparing the documents for consideration at Ministerial meetings.

Djibouti's Foreign Minister, Mahamoud Ali Youssouf, welcomed the Ethiopian delegation warmly and said the [Commission] illustrated the importance of the consolidation of the excellent relations the two countries had been sharing for decades. He said the mutual development visions for economic and political cooperation had "guided our countries on the path of peace and stability away from the throes of war and discord." He said their work together demonstrated "relentless efforts to promote unity against adversity, social cohesion against division and ownership of our destiny against cultural and economic copying" and had contributed to building new images for both across the world: "Ethiopia is known for its growing economy, its cultural richness and Djibouti is known for being a logistical and transport hub, to quote a few examples". He said the changes in the two countries had been ongoing for some time and they definitely required attention as they also constituted challenges.

The Foreign Minister said there is seldom an area of cooperation that had not been covered between the two countries. They had been able to sign numerous protocols and agreements that have paved the way for continued and mutually beneficial cooperation. He underlined the importance of keeping up the momentum

of agreements saying "we need to conclude other agreements that are essential to our daily cooperation in the fields of trade, transport, energy, water and the financial sector so as to increase our volume of economic relations and trade and bring a better livelihood to our peoples." Referring to the efforts towards fulfilling the vision of economic integration, he said "infrastructural mega projects are increasing every year and expanding the scope of our cooperation," noting the power and fiber optics interconnections and the expected launch of the modern railway line linking the capital cities. He said these projects are encouraging other prospects now in the pipeline, including water and gas pipeline projects. Mr Youssouf said Ethiopia and Djibouti had strong partnerships in a number of regional issues, notably in combating Al-Shabaab and terrorism and in bringing regional peace, stability and development. He stressed the need to eliminate obstacles and barriers to the implantation of the common vision of economic integration; and praised the discussion on the draft agreements for the Joint Ministerial Commission meeting which he said was taking place on the eve of a landmark visit by Prime Minister Hailemariam.

The 13<sup>th</sup> Ethio-Djibouti Joint Ministerial Commission meeting reviewed a list of the agreed minutes presented by the experts, relating to border trade; arrangements for resting areas for Ethiopian livestock for export through Djibouti port; parking areas for Djiboutian transporters; pro-forma invoice procedures for customs clearance; and visa issues as well as the minutes agreed by the economic and commercial, security and political, and port and transport clusters.

The Joint Ministerial Commission agreed on the preparation of a matrix to follow up and implement agreed decisions. It also agreed to continue consultations towards the road map of strategic partnership for economic cooperation and regional integration.

The meeting concluded on Thursday (February 5). Agreements that will raise bilateral relations between Ethiopia and Djibouti to a higher level are expected to be concluded by the Heads of Government after Prime Minister Hailemariam meets President Ismail Omar Guelleh on Saturday (February 7).

# Somalia: 2015 to be a "Year of Federalism and Delivery"

The Secretary-General's Special Representative, Nicholas Kay, briefed the Security Council on the current situation in Somalia on Wednesday this week (February 4), saying that 2015 should be a Year of Federalism and of Delivery. Because of the setbacks during 2014, he said, it was critically important to accelerate the federalism process this year in order to maintain progress. Mr Kay, who is also the Head of the United Nations Assistance Mission in Somalia (UNSOM), was briefing the Security Council on Somalia. The meeting also heard from Ambassador Mamadou Sidikou, Special Representative of the Chairperson of the African Union Commission and Head of the African Union Mission in Somalia (AMISOM), as well as the representative of Somalia, Awale Ali Kullane.

Mr Kay introduced the Secretary-General's latest report on the UN Mission in Somalia which noted that the political crisis between the President and the former Prime Minister during the 120-day reporting period had wasted precious time and evoked previous "cycles of instability that had compromised Somalia's progress in the past". However, despite the delays, the Federal Government's 2016 deadlines for a constitutional referendum, elections and other goals remained the same. This meant the constitutional review must be completed this year. Capacity-building for the existing Interim Regional Administrations needed to accelerate and new regional administrations established where they did not exist. It was very necessary to avoid further political infighting, he said, and achieve compromises as the 2016 elections approached. He said he was worried that tensions would rise as the 2016 elections get closer and stressed that it was up to Somalia's political leaders to guide the process responsibly, build confidence among all groups and put aside narrow interests. "A spirit of compromise is the hallmark of strength, not weakness," he said. He said swift approval of the new cabinet was now needed, as was improvement in working practices, transparency and dialogue. He stressed that those with the greatest power had the greatest responsibility, warning: "they will be held accountable by Somalis and international partners for further instability and delay."

Inclusive political processes would be the key to success in meeting the goals, with Somalia's regions playing their full part in the state building and peace-building processes and participation from minority and marginalized groups, as well as women, at all levels. Mr Kay said the international community must continue to support and assist in the building of the Federal Government's leadership and capacity. On security, Mr Kay paid tribute to AMISOM and the Somali National Army's fight against Al-Shabaab's current "asymmetric" tactics, but to succeed, he said, they needed the right capabilities and a more coherent regional approach. In

addition, all actors must respond to the continuing potential for local inter-clan disputes to erupt into violence. Delivery of security, rule of law and other necessities to the regions was also needed to accelerate and strengthen the legitimacy of local administrations. In 2015, the foundations of a sustainable Somali defense sector must be set through implementing commitments made by Somalia and its partners in September 2014. Currently, however, Somalia remained among the most dangerous places in which the Council had mandated operations. The United Nations Guard Unit had allowed an expanded UNSOM presence, but the Unit would need to be enlarged as UNSOM activities expanded.

Federalism and the Government's 'Vision 2016' initiative were vital to the plan for the year ahead, but the repeated political crises had shortened the timelines for their fulfilment significantly. The review of the Constitution, including important discussions on power and resource sharing, would need to be completed this year, with a Constitutional Referendum planned for early 2016. Other key decisions and preparations for that exercise and for elections also had to be made. The establishment of the National Independent Electoral Commission and the Boundaries and Federation Commission was particularly important. "We must continue to support and build the Federal Government's leadership and capacity," he said, adding that "inclusive political processes will be the key. Somalia's regions must play a full part in State-building and peace-building processes." He also stressed the importance of involving minority and marginalized groups, as well as women in the processes. "Stabilization has to work this year," he said, and he looked forward to greater implementation of the Federal Government's stabilization strategy, particularly in local reconciliation and peace-building activities.

Mr Kay felt that despite all the challenges and problems, the partnership between Somalis, regional organizations and the international community had resulted in important progress in 2014, pointing to the campaign against Al-Shabaab, the State-formation process and the establishment of some key institutions. He called the partnership between the African Union and the United Nations in Somalia "unique, strong and essential for success." Nevertheless, he added, "Somalia is still teetering on the edge [and] in 2015, we must see concerted action by the Federal Government and international partners to pull it back from the brink." Ambassador Sidikou, briefing the meeting by video from Mogadishu, described the AMISOM and Somali offensives against Al-Shabaab that had resulted in the recovery of 16 towns. He said these operations had opened up space for political activities outside Mogadishu. Regional state formation was progressing and should be bolstered by support to Somali traditional and political leadership at all levels. He noted the need to secure main supply routes throughout the country and build up the national army with an additional focus on community-centred approaches to safety and security through community policing. In view of this, AMISOM, he said, had been planning for engineering and medical capabilities that could support basic social services as well as local security. The African Union was also encouraging Government engagement with the Somali Diaspora to assist in this. "In the eyes of ordinary Somalis," he said, "liberation from Al-Shabaab will only translate into peace if and when they begin to see its dividends."

Somalia's representative, Awale Ali Kullane, acknowledged the country had experienced a challenging few months but said that progress was still being made. He said that while "political instability has tested the patience of all, domestically and internationally, it would be wrong to presume that this has completely stifled all progress; it has made progress more difficult but not impossible." He said the most pressing problem was the lack of capacity of federal institutions, but both the President and Prime Minister had called attention to the problem, encouraging the new Council of Ministers to exercise restraint in replacing civil servants within ministries. Despite problems, there had been some accomplishments in the past year, he said, pointing to reconciliation at federal and district level and Somalia's accession to human rights instruments. Security, of course, remained critical for progress in all areas but there had been progress against Al-Shabaab and in the integration of forces. He acknowledged that the Government now had to deliver on priority legislation, the establishment of commissions and the holding of public consultations, adding, however, that the President's commitment to make 2015 the year of delivery was "clear".

## Addis Ababa's Light Rail Transit Project starts testing

Tests for Addis Ababa's Light Rail Transit project, the first such system in Sub-Saharan Africa, started at the beginning of the week. The inauguration ceremony held on Monday (February 2), with Prime Minister Hailemariam Desalegn, Deputy Prime Minister Demeke Mekonnen, Foreign Affairs Minister Dr Tedros, Addis Ababa Mayor Dirba Kuma and other senior officials and dignitaries as well as thousands of residents travelling on the system.

During the ceremony Prime Minister Hailemariam commended the people's strong support for and collaboration in the development process and nation building. He thanked the residents of Addis Ababa for the patience they have been showing and for their contributions to the project. Mayor Dirba said the accomplishment of the project is a huge step forward for Ethiopia's renaissance and demonstrated impressive collaboration in infrastructure investment for the city's socio-economic development. As the first such city train in Sub-Saharan Africa it is also an important promotion of the image of Ethiopia and of Africa.

The Addis Ababa Light Rail Transit (LRT) is an electrified light rail transit system with two lines with a total length of 32 kilometers. The two lines run from east to west of Addis Ababa (17.4 kms from the Ayat depot to Tor Hailoch in the west) and north-south (16.9 kms from Menilek II Square to the Kaliti depot in the south). The track is double and the two lines joint use just over 2 ½ kms. The trains have three cars and each can carry 320 passengers at a time. There will be a total of 41 trains in operation, and the system is expected to transport 60 thousand passengers an hour in both directions. There are a total of 39 stations. The light rail will rely on **15mw** of power supplied mainly from overhead wires. Power cuts will not be a concern as the LRT will have a dedicated power supply through a grid system. The cost of the project has been 475 million USD, 85% raised as a loan from the Chinese EXIM Bank with the balance covered by the Ethiopian Government.

The project was launched at the beginning of 2012 following an agreement between the Ethiopian Railway Corporation (ERC), the Chinese firm, China Railway Engineering Corporation (CREC) and the Swedish company, SweRoad. While CREC was responsible in undertaking the project, SweRoad was hired as a consultant to supervise the process. Other companies involved were the Chinese Companies, Huawei, which provided telecommunications and fare collection equipment, and CNR Changchun which supplied the 41 three-section low-floor light rail vehicles. Over 250 people were sent to China to acquire the latest skills in rail technology, training as train drivers, dispatch and control staff and in maintenance.

The Light Rail Transit (LRT) project was launched in the five year Growth and Transformation Plan of Ethiopia in order to alleviate the transportation problems of Addis Ababa. As a mass transport system, it will transform mobility in the city in which most people have been travelling by bus or taxi, or on foot. It will reduce the travel time from the outskirts of the city to the center from an hour or more to a matter of minutes. In addition to narrowing the gap between the demand and supply of transportation services, the project will also create job opportunities, and reduce expenditure on imported oil and related products. The system is environmentally friendly, reducing carbon dioxide emission, largely free of noise and air pollution, and equipped with handicap friendly technology. One of the most important benefits is the expected reduction of the emission of carbon dioxide. Officials of the Ethiopian Railway Corporation (ERC) noted the prediction for overall emission of carbon dioxide from transportation would reach 40 tonnes by 2030. However, the introduction of the railway in Addis Ababa is expected to decrease emissions by at least 9 tonnes. In fact, the Government's investment in the rail sector is part of Ethiopia's Climate Resilient Green Economy strategy (CRGE), launched in 2011, under which the Government aims to create an environmental friendly, carbon-free, economy to assist Ethiopia in gaining middle income status by 2025.

The project has faced a number of problems and obstacles during its construction. There were issues related to the legal right of way which slowed down the speed of construction. Limited space available in some areas made it difficult to provide the railway with the necessary width. Engineer Fekade Haile, General Manager of AACRA (Addis Ababa Road Coverage) noted that in some areas, around Megenagna and Mexico Square there were some major water pipes that had to be avoided or moved.

During the construction, questions were also raised about how the project would address pedestrian and vehicle crossing points. In an interview, Awoke Mulu, Communication Team Leader of the Ethiopian Railway Corporation (ERC), explained that the railway had depots located in Ayat and Kaliti which served as the main stations from which the trains were dispatched and maintained. At various points along the line, there are leveled areas to allow for small vehicles to cross, as well as a number of roundabouts. The 39 stations for passengers to board the trains are conveniently located for easy access to trains in both directions. 27 of these also provide level crossings for pedestrians. Overall, adequate measures are being implemented to allow for the safety of passengers and the entire project.

As the Prime Minister noted during the inauguration ceremony for the testing, the full launch of the system is still three months away. In the interim, the system will be fully tested to ensure its safety, Dr Engineer Getachew Betru, the CEO of Ethiopian Railway Corporation, said the Corporation has been training personnel to operate and manage all the new railways in the country. Minister of Transport, Workneh Gebeyehu, [said it was] based on examples from western countries to ensure that all necessary safety measures will be applied.

There will be further developments attached to the LRT. A South African firm Arup South Africa is preparing a Transit Oriented Development (TOD) master plan for ten of the key stations that are part of the Light Rail Transit system. Arup has been awarded a contract by the Ethiopian Railway Corporation to illustrate what activities, uses and developments can be set up within a 400 meter radius of the new station.

Population growth and increasing economic development in the last decade have underlined the demand for a parallel increase in transportation services in Ethiopia. Over the last ten years there has been massive government involvement in addressing the issue, allocating substantial expenditure for roads, railways and public transport. Railway development includes the Addis Ababa–Djibouti Railway, which is making excellent progress and should be operational by the end of the year as well as the Addis Ababa Light Rail Transit System. These and other developments will transform transport in the country, generating more development.