

# **A WEEK IN THE HORN OF AFRICA**

**15<sup>TH</sup> JUNE 2012**

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## **The AGOA Forum in Washington**

The 2012 African Growth and Opportunity Act (AGO) Forum is the largest event the U. S. government shares with Sub-Saharan Africa. It brings together U.S. and African ministers and members of Congress and more recently private sector and civil society representatives have joined in the meetings. This year the civil society representation includes community development organizations, agricultural and handicraft producers associations, gender-based groups, youth entrepreneurial and environmental groups. The U.S. Department of State, in conjunction with several other U.S. Government agencies, is hosting this eleventh annual meeting, and there are several other elements. The Ministerial Meeting held today and yesterday was preceded by the Civil Society Organization (CSO) Session of the Forum on Tuesday and Wednesday [12<sup>th</sup> and 13<sup>th</sup> June] which advanced a robust agenda arising from such issues as expanding Africa’s agriculture, public-private partnerships, empowering women and youth as well as sustainable demand for African products in U.S. markets. The Civil Society Organizations presented their recommendations to delegates at the two-day Ministerial Session on Thursday [14<sup>th</sup>]. Following the Ministerial meeting, the Corporate Council on Africa (CCA) will host an infrastructure conference from 18<sup>th</sup> to 20<sup>th</sup> June, in Washington; and the U.S.-Africa Business Conference (USABC) will be held in Cincinnati, Ohio on 21<sup>st</sup> and 22<sup>nd</sup> June.

The Africa Growth and Opportunity Act is usually described as the cornerstone of U.S. economic engagement with the countries of Sub-Saharan Africa. It has succeeded in helping countries grow and diversify their exports to the United States. In 2011, 40 AGOA countries exported \$53.7 billion worth of products to the United States; it also created opportunities for American businesses to export U.S. goods and services. It provides an opportunity for the US and Africa to have a dialogue on issues, policies and businesses that can contribute to long-term economic and trade relations for the mutual benefit of both areas. This is, perhaps, particularly relevant in these currently difficult economic times.

This year’s Forum is being held under the theme “Enhancing Africa’s infrastructure for trade” and it is focusing on expanding infrastructural development in Africa in several ways including

promotion of an improved business climate and effective regulation to encourage private-public partnerships and increasing regional economic integration through strategic development of regional transportation corridors, regional power pools, and power generation capacity that can be shared across borders. Discussions will cover the development of transport, energy, telecommunications and other infrastructure to improve African competitiveness and promote regional and US-sub-Saharan Africa trade. They will include efforts to improve the business climate and effective regulation of key infrastructure sectors to promote investment, reduce costs and increase productivity in “soft” infrastructure services that can have most impact on US-sub Saharan Africa trade and investment. Another focus will be on advancing African regional economic integration efforts through regulatory harmonization, trade facilitation and strategic development of regional transportation corridors, regional power generation capacity and tele-communications to promote integrated larger markets, cross border production and regional value chains as well as highlighting trade opportunities for both US and Africa businesses and joint ventures in the relevant sectors. The pre-Forum African Ministerial Consultative Group recommendations included the need for AGOA eligible countries to speak with one voice in urging the US to extend AGOA beyond 2015, as well as encouraging the US to allow the Third Country Fabric provision to run concurrently with AGOA after it expires in 2012. It was agreed to call for the US to prioritize capacity building to enable African countries to take full advantage of the market access that AGOA offers as well as urge the US to consider relaxing restrictive rules of origin to promote diversification of exports.

Certainly, duty-free access to U.S. markets under the combined AGOA and Generalized System of Preferences programme has meant a significant expansion of the volume of Africa’s trade. The inclusion of such strategic products as clothing and footwear in particular has facilitated African exports, though the value of the process has varied from country to country. The impact on Ethiopia has been relatively small. The export of eligible products under AGOA categories amounted to no more than two hundred thousand dollars in 2001, its first full year of operation. Since then it has risen steadily, if slowly, to US\$10 million in 2011, mostly involving clothing, textile and footwear exports. This has also, however, involved encouragement of new investments, increase in trade, and considerable job creation. AGOA’s impact has not been as significant as Ethiopia might have hoped but it has still had an effect on investment and export diversification. Ethiopia started export of footwear to the US as a result of AGOA; now it exports more than a million dollars’ worth a year. Any uncertainty over AGOA will discourage potential investors in this and other sectors and hinder efforts at sustaining exports.

Ethiopia will be hosting the next AGOA Forum, in 2013, and is taking over the chair of the AGOA Ministerial Consultative Group from Zambia which hosted the last Forum in Africa in 2011. The Forum is held alternately in the US and Africa.

### **Rio+20 opened in Brazil on Wednesday [13<sup>th</sup> June]**

Although the UN Conference on Sustainable Development (Rio+20) opened Wednesday [13<sup>th</sup> June], the Summit itself, at which some 115 leaders are expected in Rio de Janeiro, will not start until 20<sup>th</sup> June. Among those attending will be Chinese Premier Wen Jiabao and new French President Francois Hollande, but neither President Obama nor German Chancellor Angela Merkel, are expected. Opening the conference, President Dilma Rousseff of Brazil, called on "all countries of the world to commit" to reaching an accord that addresses the serious environmental and social problems facing the planet, summed up as environmental degradation and world poverty. The conference, which marks the 20th anniversary of the Earth

Summit in 1992 that declared the environment a priority, is the largest ever organized, with some 50,000 delegates expected to launch a new round of debate on the future of the Earth.

Last week, the UN Environment Programme, based in Nairobi produced a report looking at how far progress had been made in the 90 most important targets, globally agreed in 1992 as critical to Earth's environmental future. Its fifth Global Environment Outlook (GEO-5) report makes depressing reading. Three years in the making, the GEO-5 report is the United Nations' main health-check for the planet and U.N. Under-Secretary General and UNEP Executive Director Achim Steiner is clear – time is running short. There will be 9 billion people by 2050 and the global economy is consuming ever larger amounts of natural resources. "If current trends continue, if current patterns of production and consumption of natural resources prevail and cannot be reversed and 'decoupled', then governments will preside over unprecedented levels of damage and degradation," Steiner said.

GEO-5 says there has been significant progress on only four of the 1992 targets. These are: cutting out substances that deplete the ozone layer, removing lead from fuel, increasing access to clean water supplies and boosting marine pollution research. Some progress has been made on forty others including deforestation and expanding national parks. The report, however, found that little or no progress had been made in 24 areas including the collapse of fish stocks, the advance of deserts, climate change and drought. It also found that there had been further deterioration in eight areas, and was unable to assess the situation in 14 areas because of a lack of data. The report found that about 20%, that is one fifth, of the planet's vertebrate species, fish, birds and mammals, are now under threat of extinction. Marine life is at particular risk due to industrial fishing techniques.

On climate change, GEO-5 notes that the last decade was the warmest on record, and in 2010 emissions from fossil fuels were the highest ever: "Under current models, greenhouse-gas emissions could double over the next 50 years, leading to a rise in global temperature of three degrees Celsius (5.4 degrees Fahrenheit) or more by the end of the century," UNEP said. It notes that air pollution both indoors and outdoors is probably causing more than six million premature deaths each year, that most river basins contain places where drinking water standards are below World Health Organization standards, and only 1.6% of the world's oceans are protected.

The conclusions are stark: "If humanity does not urgently change its ways, several critical thresholds may be exceeded, beyond which abrupt and generally irreversible changes to the life-support systems of the planet could occur". Or as Mr Steiner puts it: "The moment has come to put away the paralysis of indecision, acknowledge the facts and face up to the common humanity that unites all peoples...Rio+20 is a moment to turn sustainable development from aspiration and patchy implementation into a genuine path to progress and prosperity." The GEO-5 report proposed apanoply of remedial measures for Earth's population all centred around the concept that it is time for the Earth to start living within its means.

There is certainly agreement that the Summit comes at a turning point, and that its outcome will be crucial for the future of mankind, but there is still little consensus on how to tackle the problems, especially while so many governments are focused on their own economic crises. Negotiations have been difficult, and as of Monday last week [4<sup>th</sup> June] no more than a fifth of the text had been finalized. Governments have failed since January to agree on such issues as eliminating subsidies on fossil fuels, regulating fishing on the high seas or even obliging corporations to measure their environmental footprint.

There is little expectation that there will be any major breakthrough to tackle the world's environmental and economic crises. Diplomats are supposed to finish the negotiations by today (June 15<sup>th</sup>), though they are likely to continue either formally or informally, to produce an outcome document that will provide an action plan for the years ahead.

Equally, there remains hope that the Summit will initiate new processes that can lead to stronger institutions and new methods of tackling the crises, focusing around the concepts of the green economy and sustainable development goals (SDGs), two conference priorities. The Summit will certainly launch a post-Rio process to decide on goals, even if there remains significant disagreement over the SDGs to be listed, and over the nature of the SDG post-Rio process at the UN, and how the process will relate to the MDGs or any post-2015 development agenda. Another important issue is the need for an Institutional Framework for Sustainable Development (IFSD). It is generally agreed there needs to be a more powerful body with authority for Sustainable Development, but details remain in dispute. There is broad agreement that UNEP must be strengthened but again no consensus on how.

Developing countries are insisting that the Summit should at least renew the original commitments of developed countries to provide **new and additional financial resources**, and that they should once again pledge to make efforts to meet the aid target of 0.7% of their GNP. But even these minimal aspects are being resisted. On technology transfer, the situation is equally depressing. **All the major developed countries have objected to reaffirming the 1992 commitments to provide technology transfer on concessional and preferential terms to developing countries.**

Africa's dependence upon its natural resources means climate change is a major consideration, and this certainly requires long-term solutions, including appropriate policy guidelines, institutional capacity building and the deployment of adequate resources. It is pressing for changes to the financing mechanisms for mobilizing public and private investments for climate change mitigation and adaptation. African leaders have called for development of the green economy to underpin this. The Summit, in fact, should fully recognize the urgent need to act on climate change as part of a global action plan for delivering sustainable development. The concept of green economy needs to be carefully designed to ensure it will promote global economic and financial policy reforms to encourage new flows of climate finance, above and beyond overseas development assistance. Leaders must also commit to a new global framework of post-MDG goals, focusing on sustainability and integrated social, economic and ecological approaches.

### **Somalia: slow progress towards the end of the Transition**

Last Sunday [10<sup>th</sup> June], the Somalia Draft Constitution Technical Revision Committee concluded a four-day working session in Nairobi. It was meeting to finalize the constitution on which the National Constituent Assembly will deliberate next month. The meeting was a follow-up to the recent Addis Ababa Signatories meeting where some of the provisions prepared by the Independent Federal Constitution Commission were amended. The communiqué issued in Addis Ababa by the signatories of the Roadmap gave the Draft Constitution Technical Revision Committee a mandate to complete the constitutional process and submit the Constitution to the National Constituent Assembly. The Minister of Constitutional Affairs noted that the "road towards ending of the transition is getting closer and closer by the day, and we need to collectively work towards delivering a constitution that Somalia deserves and [which] serves its people: a constitution that is Sharia compliant, upholds fundamental rights and which is the

bedrock for justice and peace". Various consultations will still take place before the draft Constitution goes to the Constituent Assembly for provisional adoption, including a "Sharia audit" in Mogadishu. The process will also include consultations with some of the elders currently in Mogadishu to choose the members of the National Constituent Assembly and the new Parliament. Under the Roadmap, and according to the Garowe Principles and the Galkayo Agreement, 135 traditional Somali Clan elders, assisted by the Technical Support Committee now being set up, will select the 225 Members of Parliament from across the clan spectrum.

With the elections only two months away, a number of contenders are appearing for the position of President, and for those of Speaker and his two deputies. On 20<sup>th</sup> August the new slimmed down Somali Parliament of 225 members will be holding the election for President. Official campaigning will only take place after the formation of the new Parliament and once an Election Committee to oversee the election process has been formed. Already, however, it is clear there will be a considerable number of contenders for the position of President, including the present incumbent, Sheikh Sharif, and more can be expected before the election. Currently, there appear to be over 20 candidates of which a dozen are from the Hawiye clan, the clan of President Sheikh Sharif, with half a dozen from the Darod, including Prime Minister Dr. Abdiweli, two from the Digil and Merifle (Rahenweyne), one of whom is the Speaker Sharif Hassan and another two from the Dir. In the past the TFG has been careful to divide up the positions. With a Hawiye president, the Prime Minister has been from the Harti/Darod. When Abdullahi Yusuf was President, the Harti/Darod president was balanced by a Hawiye Prime Minister. At the same time within the Hawiye there is the necessity to provide a balance between the Abgal and the Habr Gidir, and within the Harti/Darod between the Majerteen and the Marehan. At the moment it appears that the vote is likely to be spread out fairly evenly among the major candidates in the first round of voting, and a final result will certainly depend upon how unsuccessful candidates divide up their support.

Meanwhile, this week the Kenyan government asked the EU and the US to help AMISOM in its fight to liberate Kismayo from Al-Shabaab. Kenya's Prime Minister, Raila Odinga, emphasized that Kenya's aim was to get to Kismayo by the end of August, when the mandate of Somalia's TFG expires. He said that it would be very difficult to completely neutralize Al-Shabaab without controlling Kismayo, and suggested this would need a joint land, sea and air operation. Prime Minister Odinga said Kenya had been moving so slowly towards the liberation of Kismayo because it was taking care to minimize both civilian and military casualties. Kenya has already requested that EU let its Atalanta force, of up to ten warships on anti-piracy patrols along the coast, participate in shelling of targets on land, but it had been reluctant. The US, too, had been resistant to provide any funding while Kenyan forces were outside AMISOM. Now with its 4,631 troops integrated into AMISOM Prime Minister Odinga says he will looking for US funding. He also made it clear he would welcome any military assistance. Reports suggest that Al-Shabaab is increasing its patrols in and around Kismayo as AMISOM, TFG and allied militias advance towards the city. It also seems Al-Shabaab may be reinforcing positions around Jilib and other towns outside Kismayo.

Last weekend, US Assistant Secretary of State for African Affairs, Johnnie Carson, and the UK Ambassador to Somalia, Mark Bott, paid an unannounced visit to Mogadishu. They held discussions with President Sheikh Sharif and Prime Minister Abdiweli Mohammed Ali and emphasized the importance of doing everything possible to end the transition by 20<sup>th</sup> August of putting in place a new government. "It is extremely important to the people of Somalia that this roadmap be completed on time and as fully as a possible" said Ambassador Carson. The US has stressed it will "get tough" on any spoilers who attempt to undermine the process. There is also concern about the consolidation of the territorial gains being made by AMISOM and the Somali



National Security Forces. UNPOS and other stakeholders want to see regional and district security committees set up promptly in liberated areas to prevent any attempt by local militias or former warlords to re-establish themselves. These government committees also need to link up with existing local committees focusing on issues of peace and reconciliation. All such committees also need to be properly resourced and provided with proper back-up to emphasize peace dividends.

### **Eritrea at 21: still refusing to “come of age”**

Eritrea is 21. This is the time when people normally “come of age”, and assume responsibility for their own actions. Not so Eritrea. For all its youth, it has seen a lot, mostly bad. Its precocious talent for “trouble-making” was there for all to see from the start. Its leaders hardly wasted any time on the kinds of mundane exercises in which most governments indulge, including diplomatic niceties or peaceful neighbourly relations. Eritrea, we were told, was not going to settle for diplomacy and foreign relations as we know them. The sense of euphoria that attended Eritrea's emergence as a tough-talking, rabble-rousing, independent state was palpable - a new chapter of history was being ushered in with the birth of an independent Eritrea.

Of all the promises its leader made about Eritrea, then and later, the only thing that has certainly and unequivocally been proven is its “uniqueness”. Eritrea has, indeed, trodden a unique path. Its leaders have always taken pride in having once been colonized by a European country. This incidentally was actually responsible for the creation of the very concept of an Eritrean territorial identity. To the extent that the very name Eritrea was an Italian creation, it might not be all that surprising that its current leaders feel some sentimental attachment to that part of the past. What makes their pride unique to Eritrea is the fact that Eritrea's leaders take an equal measure of gratification in the fact that they owe their independence to their 30 years struggle against “Ethiopian colonialism”.

Eritrea's uniqueness has also been evident in the larger-than-life ambition with which its leaders weighed down their nation when they boldly declared that they would make Eritrea into an African Singapore in less than ten years. By any standards this meant telescoping decades into years. Even more, the leadership's bizarre economics meant that this idea was supposed to be achieved with unquestioning help and abundant resources from neighbouring countries which were simultaneously being caricatured as pliant slaves. It all sounded both unrealistic and supremely condescending, underlining the perennial penchant Eritrea's leaders have for punching above their weight.

Speaking of this, Eritrea's first order of business, once its de facto independence was sorted out with the fall of the Derg in 1991, was immediately to inculcate in the minds of its nationals a fundamental sense of “siege mentality” as the necessary condition for maintaining Eritrea's independence. What was unique about this was that it was wholly contrived and totally uncalled for. It was coupled with the ludicrous, even grotesquely obsessive desire of Eritrea's leaders, to create enemies that led to their unsolicited aggression against literally all their neighbours. The subsequent and wholesale securitization of life in Eritrea, originally meant perhaps to serve as a safeguard against any possible encroachment on Eritrea's independence, has over 21 years taken on a monstrous life of its own. Now it even threatens the very independence it was supposed to protect.

Another measure of Eritrea's uniqueness can be found in a situation in which even priests and monks are indiscriminately press-ganged into the army in the name of national service, an

endless national defence exercise in which the youth and many of their elders up to the age of 55, fritter their lives away in trenches.

In normal political language, 'governments serve their people' or at least pay lip service to the idea. This is even the case in totalitarian states where pretension has no place. However, in the freakish political experiment that is Eritrea, it is not entirely unusual to hear people in the media say that they owe everything to their government and that "they would do everything to please their government"; some in the Diaspora, even citizens of Sweden or the US, will say they owe everything to their all-knowing, omnipresent government. The contrast with the only leader Eritrea has known in its 21 years of existence is marked. He makes it a habit to criticize his people as 'spoilt' simply because they dare to make the slightest of demands for the barest needs of existence. It's more a case of "the people exist to serve the leader while the leader lives to insult his people".

Hardly surprisingly, the nation's propaganda machine goes to great lengths to deny any rumours of the president's failing health while keeping total silence as its youth are dying by scores trying to flee from the repressive regime they face at home. It's hardly astonishing then that this same propaganda machine which has long made sabre-rattling an art form has kept silent even when the regime's forces are given a severe beating, as proportionate punishment for persistent efforts to export terror to neighbouring countries.

At 21, Eritrea still continues to baffle many, but what one might assume to be miscalculations is in fact normal behaviour for the leadership in Asmara. Asmara likes to portray itself as the victim of an "imperial conspiracy" spearheaded by US administrations past and present. If its leader's remarks are any guide, Eritrea is the only cold-war left-over where the CIA continues to play hide-and-seek. Hearing President Isaias tell it, Eritrea is the last bastion of defiance against imperialism, and the west in general is working together with the CIA to snuff out Eritrea's young self-reliant system.

Reality is rather different. It has become very clear that the entire so-called "resolute rebuff", the resistance against the US, is not what is made out to be - the fight to preserve Eritrea's independence, or preserve the state. That is under no threat external or otherwise. The regime's own activities have nothing to do with preserving Eritrea's independence. They are entirely dedicated to one thing: prolonging the life span of a one-man totalitarian regime beyond its long-overdue sell-by date.

### **Publishers, printers and the free press**

A week ago, Bereket Simon, Minister and Head of the Government Communications Agency, met with members of the New York-based Committee to Protect Journalists and of the Africa Media Initiative. Their discussions covered Ethiopia's anti-terrorism laws and the three Ethiopian and two Swedish journalists who are detained under its provisions. Minister Bereket emphasized that the journalists were not being held because of any reports they had made, pointing out they had been arrested for involvement in anti-government activity and security-related offences. He stressed the government had not so far invoked the anti-terrorism law against any individual journalist. "It is not an instrument for censorship, for stifling dissent, or for attacking press freedom; it is an instrument that ultimately shall be used to protect Ethiopians enjoying their constitutional rights."

Asked about concerns that the law intimidated journalists, Minister Bereket said: "If there are problems in implementation of any law, the government is ready to sit down and review it." The Minister acknowledged AMI's efforts to assist publishers and journalists and made it clear

he was always prepared to talk with the country's private media. The AMI welcomed his statement, adding, *"We also note the government's expression of support for AMI plans to organize seminars and workshops that will bring together all stakeholders, with the aim of strengthening the independent media in Ethiopia."* The African Media Initiative is a pan-African organization aimed at assisting private and independent media owners and journalists to meet the on-going challenges of media development on the continent.

Meanwhile the newly established Ethiopia Press Publishers Association is pressing ahead with getting itself established and registered as a Civil Society organisation, submitting its by-laws for registration. The association is currently composed of 13 independent publishers and is aiming to operate on two levels, as a lobby group for the free press in Ethiopia to encourage an environment conducive for **responsible** media activity and as a non-professional business association, and as an organization to set up a share company to acquire a printing business. This arises from the recent decision of printers to call for new contracts with the publishers, contracts that appear to introduce the possibility of pre-publication censorship. The publishers have had two meetings with the printers as they were particularly concerned over the suggestions that printers could refuse to print if they had 'sufficient' reason to believe content might be unlawful, or if they thought a publisher had a 'tendency' or a 'propensity' towards unlawful contents. The publishers pointed out these were highly subjective and the printers are currently reconsidering possible wording of their proposed contracts.

## News and Views

### **AU confirms Ethiopia will host the 19<sup>th</sup> AU summit next month**

The African Union has announced that Ethiopia, as the seat of the AU Commission, will host the 19<sup>th</sup> AU summit next month instead of Malawi. The decision was made in accordance with AU statutes which stipulate that if a nation decides not to host the summit, the country where the AU has its headquarters will act as host. The 19<sup>th</sup> AU summit will therefore be held in Addis Ababa from 9<sup>th</sup> to 16<sup>th</sup> July. Malawi had been due to host the summit next month in Lilongwe, but it withdrew after the African Union Commission formally told the government of Malawi that under AU statutes a host nation has an obligation to invite all heads of state of member countries. It cautioned that if Malawi failed to invite any head of state, the AU would have to move the meeting from Lilongwe. The Government of Malawi had written to ask the African Union not to allow President Bashir of Sudan to take part in the Lilongwe Summit as Malawi, a signatory of the International Criminal Court, was also under a duty to arrest President Bashir. Malawi said that a breach of its obligation would have negative implications for its aid dependent economy. "After considering the interests of Malawians, I want to inform Malawians that the cabinet met today and it was not interested to accept the conditions set by the African Union, therefore Malawi is not hosting the summit," said Vice-President Kachali in an address to the nation last week.

### **Kenyan minister dies in helicopter crash**

Kenyan Internal Security Minister Professor George Saitoti was killed in a helicopter crash outside Nairobi on Sunday [10<sup>th</sup> June]. His death was described by President Mwai Kibaki, who declared three days of national mourning, as "a devastating loss to our country." The President said "Minister Saitoti will forever be remembered as a hardworking and determined public servant who dedicated his time to the service of the Kenyan people." He had recently announced his intention to stand as a candidate in the presidential election next year. Vice-president, Kalonzo Musyoka, who visited the site of the crash, said "It is unbelievable and very,



very painful to the nation.” Prime Minister, Raila Odinga, a political opponent and fellow presidential aspirant, cancelled his own campaigning plans in order to visit the crash site, and offered his condolences for the “very tragic news”, saying Professor Saitoti had recently spoken passionately about the need for peaceful elections. Professor Saitoti had served in a number of ministerial positions in government, including the post of Vice-president, and Finance Minister and Minister of Education as well as his final position as Minister of Internal Security. He had been a member of parliament for over 25 years, and had also worked for the World Bank and the International Monetary Fund. The Ethiopian Government expressed its condolences to the Kenyan people over the death of Professor Saitoti, a politician and a Minister who had played a very constructive role in consolidating the existing strong partnerships between the two countries.

### **Ethiopia signs US\$400 million loan agreements with World Bank**

Ethiopia and the World Bank have signed three loan agreements covering a total of US\$400 million. The first, for US\$150 million, is for financing the Urban Water Supply and Sanitation Project launched in 2007 to provide improved access to safe drinking water and sanitation facilities in Addis Ababa, Gondar, Hawassa, Jimma, Mekelle and Dire Dawa. It will also provide support to educate residents on the use of household and communal hygiene and sanitation practices. The second loan, of US\$200 million will be used to finance the Electricity Network Reinforcement and Expansion Project, for upgrading and extending the national grid to improve the overall service delivery, and enhancing connectivity in new areas. The third financing agreement, for US\$50 million, is for the Woman Entrepreneur Development Project. This is to increase the income of micro and small enterprises owned by female entrepreneurs by improving access to financial services and by providing working capital and investment finance through a dedicated line of credit. It will also improve the capacity of existing micro finance institutions to provide tailored products to female entrepreneurs. The agreements were signed on Tuesday [12<sup>th</sup> June] by Finance and Economic Development Minister, Sufian Ahmed, and World Bank Country Director for Ethiopia, Guang Z. Chen.

### **Ethiopia ‘on track’ to meet the MDGs**

Ethiopia is currently on the right track to meet the eight Millennium Development Goals (MDGs) according to the United Nations Resident Coordinator in Ethiopia, Eugene Owusu. In an interview, Mr Owusu said current evidence suggested the country should meet the MDGs though he added that he still had some reservations about three: environmental sustainability, gender equality and women’s empowerment, and maternal health. At the same time, Mr Owusu noted that the government was striving to meet all the MDGs and was showing positive gains in education, health and in reduction of the prevalence of HIV and Aids as well as the overall decline in poverty. “Even for the three goals which Ethiopia is presently slightly off-track,” he added, “the evidence is that with continuous investment in these three areas, I am very optimistic that come 2015 Ethiopia will be able to achieve all the eight goals.” A year ago the UN system in Ethiopia finalized what it called a business plan to support the country’s development, dubbed the UN Development Assistance Framework (UNDAF 2012 - 2015). This offers a plan of action allotting total investment of 1.9 billion dollars and, said Mr Owusu, this figure “truly reflects a historic investment by the UN in the country.” Mr Owusu said “the important thing is our full alignment of our entire business strategy to the priorities articulated in the Growth and Transformation Plan (GTP).” The UNDAF was based on consultations with federal and regional governments as well as the private sector and civil society. Out of the eight pillars of the GTP, he pointed out that the UN’s programme for the next four years actually supports seven of them. The UN Country Team in Ethiopia, the largest in Africa, is a major

development partner of the government with a combined annual budget of one billion dollars, and covers the work of 25 UN agencies and 2,000 staff.

### **Chinese language and culture centres enhance Ethio-China relations**

The Chinese Ambassador to Ethiopia, Xie Xiaoyan, said last week that the Chinese language and culture centres opened at Hawassa and Addis Ababa Universities will help to bolster existing relations between Ethiopia and China, particularly in the areas of education and culture. During a visit to Hawassa University, the Ambassador pointed out the centres will enable people to share experiences as well as develop Chinese language skills and cultural understanding. He also outlined plans to work closely with the universities to upgrade the certificate-level Chinese language programmes to first degree level. Dr Yoseph Mammo, Hawassa University President, praised China's cooperation with Ethiopia in the higher education sector. He said the centre will contribute to further enhance people-to-people ties. The centre has enrolled over 400 students since its launching last September.