

**The speech delivered by
H.E. Prime Minister Meles Zenawi
to mark the official commencement of the
Millennium Dam project**

**April 02/2011
Guba, Beneshangul Gumuz**

Honorable peoples of Ethiopia

First and foremost, on behalf of the Ethiopian government and of myself, I must express my heartfelt pleasure for the opportunity to attend this occasion, marking the official commencement of the construction of the Millennium Hydro-electric Nile Dam. I must congratulate all those who have worked so tirelessly to make this defining moment possible.

Honorable peoples of Ethiopia

Ladies and Gentlemen

We have gathered here today at the largest of our rivers to witness the launch of this great project. It is rightly called the Millennium Dam. It is the largest dam we could build at any point along the Nile, or indeed any other river. More importantly the project takes the pride of place, representing an incomparable addition to our national plan for expanding power production. It will not only raise our own power-generating capacity and meet our domestic needs. It will also allow us to export to neighboring countries and mobilize the resources so necessary for the realization of objectives for our rapid development endeavors, efforts which are already yielding promising results.

The plan allows for the generation of six to eight thousand MW in the coming five-years. Of this total, the Millennium Dam alone will have the capacity to produce 5,250 MW to assist in meeting our aims. After completion, the Dam is expected to hold 67 billion cubic meters of water. This will provide a reservoir almost twice the size as Lake Tana, a natural lake which only reaches 32 billion cubic meters at its peak. The Millennium Dam will be the largest man-made lake in Ethiopia, and it

will also, of course, provide for extensive opportunities for fisheries and cultivation which were previously non-existent.

From every perspective, this project will play a major and decisive role in realizing the five-year Growth and Transformation Plan and the consequent advance towards the eradication of poverty. The potential impact is clear to everyone. Its importance is readily apparent when we see that this Dam alone will provide for between 65 and 87 percent of the entire power supply we expect to generate over the period of the plan. Equally, the benefits that will accrue from the Dam will by no means be restricted to Ethiopia. They will clearly extend to all neighboring states, and particularly to the downstream Nile basin countries, to Sudan and Egypt.

The Dam will greatly reduce the problems of silt and sediment that consistently affect dams in Egypt and Sudan. This has been a particularly acute problem at Sudan's Fosseiries dam which has been experienced reduction in output. When the Millennium Dam becomes operational, communities all along the riverbanks and surrounding areas, particularly in Sudan, will be permanently relieved from centuries of flooding. These countries will have the opportunity to obtain increased power supplies at competitive prices. The Millennium Dam will increase the amount of water resources available, reducing the wastage from evaporation which has been a serious problem in these countries. It will in fact ensure a steady year-round flow of the Nile. This, in turn, should have the potential to amicably resolve the differences which currently exist among riparian states over the issue of equitable utilization of the resource of the Nile water.

In other words, the Millennium Dam will not only provide benefits to Ethiopia. It will also offer mutually beneficial opportunities to Sudan and to Egypt. Indeed, one might expect these countries to be prepared to share the cost in proportion to the gains that each state will derive. On this calculation, Sudan might offer to cover 30 per cent and Egypt 20 per cent of the costs of the entire project. Unfortunately, the necessary climate for engagement, based on equitable and constructive self-interest, does not exist at the moment. Indeed, the current disposition is to make attempts to undercut Ethiopia's efforts to secure funding to cover the cost of the project. We have, in fact, been forced to rely on our own savings alone to cover the expense.

The estimated cost will be 3.3 billion Euros, or 78 billion birr. As we will be financing several other projects in our plan, the expense will be an additional and heavy burden on us. All our efforts to lighten this have been unsuccessful, leaving us with only two options. Either to abandon the project or do whatever we must to raise the required funds. I have no doubt which of these difficult choices the Ethiopian people will make. No matter how poor we are, in the Ethiopian traditions of resolve, the Ethiopian people will pay any sacrifice. I have no doubt they will, with one voice, say: "Build the Dam!"

National resolution may be indispensable, but it is not, however, sufficient. If we are to find development finance, we have to raise our financial weight by developing the culture of saving. The government will do everything possible to raise funds through increasing revenues and being careful of its expenditure. All the banks will be expected to actively promote and to accumulate savings. Importantly, the Ethiopian people will also be able to contribute their share in bringing the

construction of this historic Dam to completion. To enable every Ethiopian to do this * the government has launched treasury bonds offering five per cent interest. Buying these bonds will allow all Ethiopians to benefit from the interest paid, and play their part in the completion of the construction of the Millennium Dam according to their income.

Honorable Peoples of Ethiopia,

Ladies and Gentlemen

By mobilizing to build this Grand Millennium Dam with our own resources we will derive significant economic benefits. We will also convey two messages.

As you all know, and our rapid economic development activity has underlined, we are determined to eradicate poverty from our country. We are fully aware that in this struggle against poverty, many friends stand with us; our gratitude to our development partners is limitless. Before we mobilized our efforts to eradicate poverty, centuries of impoverishment curtailed our development and restricted us from exercising our right to use the resources of our own rivers. Now, thanks to the dedication of our peoples, we have safely put those times behind us. We are close to opening a new chapter through the realization of our Millennium project. Henceforward, nothing can stop us from exercising our rights; the other dams we plan to build are less challenging than this, the Millennium Dam. So, the first message is that we not only have a plan, but we also have the capacity to assert our rights.

The second message we want to send is that the intention to exercise our rights to use our own rivers is in order to fight poverty in our own country. It shows no malice to any of our neighbors. Among the concerns we factored in when we made the decision to build the Nile Dam with our own resources, was to avoid any negative consequences for our neighbors and indeed to offer positive benefits for all of them. I would dare to say that nothing can provide a better testimony of our deepest commitment to forge a lasting partnership between all the Nile Basin riparian countries than the building of the Millennium Dam.

On this occasion, therefore, we, the peoples of Ethiopia, call upon all the peoples of the Nile Basin to turn over to a new page of cooperation and solidarity. As we in Ethiopia build this Millennium Dam with the aim of eradicating poverty, let it be known to all that it will also stand as an expression of our commitment to the benefit of all the countries of the Nile Basin.

Thank You