News June / July 2014

http://www.topix.net/world/ethiopia

An engine factory being constructed in Mekele Town of Ethiopia with 300m birr will be operational in the coming year, the Ethiopian Power Engineering Industry said. Industry General Manager Major Asefa Yohanes said that the factory will manufacture engines for light and heavy vehicles. It will also produce engines for water pumps. The factory will get input from the Akaki Metal Products Factory and Hibret Manufacturing Industry under the Metals Engineering Corporation. Since the automotive industry is booming, manufacturing engines locally will help to save expenses for engines importation, the Manager said (ENA, July).

The Ethio-American Doctors Group (EADG) announced plans to build a medical city center they say will focus on patient centered care. The two billion birr hospital will have 300 private rooms for patients and will be built on 30,000 sq.m in Summit Area. If everything goes according to plan it should be finished within three years. Plans are for it to provide surgery on veins, bones and the heart. It also will have a cancer treatment center, large pharmacy, gymnasium and hotel. EADG Board Chairman Dr. Girma Tefera said, "we are more than 200 physicians of Ethiopian origin coming together to develop and deliver high quality medical care through educationand research for the people of Ethiopia, Africa and beyond." He further said that the hospital will be able to treat cardio and kidney cases which will reduce expenses and also save foreign currency. It will also have a medical education and research center to train medical staff. The Intergovernmental Authority on Development (IGAD) has also signed a Memorandum of Understanding (MOU) with EADG to establish the cancer treatment center. The hospital is for profit, although the administrator says they will charge prices that are reasonable and help some patients with lower incomes. EADG was established by twelve Ethiopian Doctors who were living in the US. Now it has 200 doctors and 35 specialists among them. EADG invested 20% of the cost with the rest coming from IGAD, donors and the Commercial Bank of Ethiopia (http://www.capitalethiopia.com, 30 June).

The House of Peoples Representatives (HPR) approved a 3.73bio Br loan agreement from the China EX-IM bank for the upgrade of the Dire Dawa-Dewalle road project. The road is part of the fourth Road Sector Development Program, which has been ongoing since July 2010. The Budget & Finance Standing Committee tabled the bill for the loan approval to asphalt the 210km gravel road to the committee on June 2, 2014. The road, which will have a 15m wide carriageway in the town section and 10m carriageway in the rural section, is to be constructed by the CGC Overseas Construction Group LTD (CGCOC) - a Chinese company which has been operating in Ethiopia since 2003. "The company will construct the road because it came with the deal of finance from the Chinese bank," said Samson Wondimu, communications head at the ERA. The road will strengthen the economic linkage between Ethiopia and Djibouti, and will help to transport raw materials and finished products from the industrial zone to be constructed at Dire Dawa. It will also simplify the traffic flow of the route, according to Samson. Construction will begin in Sep. 2014. The loan, payable in 20 years, has a 2% interest and a seven year grace period. This road is part of the fourth Road Sector Development Program (RSDP IV), which has rehabilitated, upgraded, constructed and maintained 41,664km of roads since it was implemented in July 2010 (AllAfrica, July 1).

Representatives of some of Ethiopia's biggest aid donors have announced that they will send a team to the southwest of the country to investigate persistent reports of human rights abuses amongst the tribes living there. Survival International, the global movement for tribal peoples' rights, has exposed how the tribal people of the Lower Omo Valley are being persecuted and harassed to force them off their land to make way for cotton, oil palm and sugar cane plantations. Many other organizations have published similar reports. The plantations are made possible by the Gibe III hydroelectric dam, which is itself the subject of huge controversy. The dam, which is nearing completion, will have a serious impact on the livelihoods of 500,000 tribal people, including those living around Kenya's Lake Turkana. It is also projected to have catastrophic environmental consequences for the region, which is home to renowned UNESCO World Heritage sites on both sides of the border. Survival and other NGOs have repeatedly denounced the eviction of hundreds of Bodi and Kwegu and continue to receive reports that people are being intimidated into leaving their lands for resettlement camps. Daasanach are being forced off their land to make way for infrastructure development such as this giant pump at Omorate, which will facilitate irrigation of the plantations. The Ethiopian government has not sought or obtained the indigenous peoples' free, prior and informed consent to move from their lands, in breach of the guidelines for resettlement drawn up by the Development Assistance Group (DAG), a consortium of the largest donors to Ethiopia, including the US, the UK, Germany and the World Bank. DAG provides significant financial assistance to the local administration responsible for the forced evictions. DAG has decided to return to the Lower Omo later this year to investigate the situation, even though the evictions continue regardless of past donor visits, the findings of which have often not been published. This decision follows mounting worldwide concerns. European parliamentarians from Italy, Germany and the UK have asked questions in the European Parliament, and MPs in the UK and Germany have raised their concerns with various ministries. Parliamentary questions have also been tabled in the UK. In February the US Congress ruled that US taxpayers' money not be used to fund forced resettlements in Lower Omo (PRESS RELEASE, 23 June)

The Ethiopian government has failed to secure financing for three major railway projects incorporated in the five-year Growth and Transformation Plan (GTP). Work on the three projects were supposed to commence in 2013-2014 fiscal year. The Minister of Transport, Workneh Gebeyehu, said that the Ethiopian Railway Corporation was not able to embark on the construction of Awash-Woldiya (Hara Gebeya), Woldiya (Hara Gebya)-Mekelle and Woldiya (Hara Gebya)-Tajura railway projects. According to Workneh, contract was prepared for the three railway projects and it was planned that financing would be secured and work on the project would commenc in the current year. The minister said the financing could not be secured adding that work on the projects did not commence due to the dearth of financial resource. The minister, however, said that the government had been exerting efforts to secure financing for the stated projects. According to him the government was trying to secure loans from the Turkish government and the Swiss Bank. He expressed his hope that loans would be secured from both parties (*The Reporter, June 28*).

Reporters Without Borders condemns last week's politically-motivated dismissal of 20 journalists from Oromia Radio and Television Organization (ORTO), the main state-owned broadcaster in Oromia, Ethiopia's largest regional State. The 20

journalists were denied entry to ORTO headquarter were dismissed without any explanations other than their alleged "narrow political views," an assessment the management reached at the end of a workshop for journalists and regional government officials that included discussions on the controversial Master Plan of Addis that many activists believe is aimed at incorporating parts of Oromia into the federal city of Addis Ababa. The journalists had reportedly expressed their disagreement with the violence used by the police in May to disperse student protests against the plan, resulting in many deaths. Cléa Kahn-Sriber, the head of the Reporters Without Borders Africa desk said "The government must provide proper reasons for such a dismissal. Does it mean that Ethiopia has officially criminalized political opinion?" (http://ireport.cnn.com/docs/, July 5).

The Ethiopian Roads Authority signed contract agreement amounting to 2.5bio Birr with the Chinese Communications Construction Company (CCCC) for construction of 102 km road on Omo River. The road project aimed at linking the six sugar factories under the Omo-Kuraz project with each other and main roads, Authority Director General Zaid Woldegebriel said. The construction of the road to be finalized in three years will be carried out in two phases. The first phase that covers 41.7km will run from the Omo no-6 junction to no-4. Construction of a 200m bridge over the Omo River will be undertaken in this phase of the project expected to consume 1.8bio birr. Up on completion within three years, the road will link people living in both sides of the river and the sugar factories with each other, Zaid said. The second phase of the project that covers 60.6 km will be carried out with an outlay of over 1.4bio Birr. Construction of 157 small bridges will be carried out in this phase of the project, according to Zaid (AllAfrica, July 1).

More than 5.6 billion tree seedlings are set for planting across the nation this rainy season, said Ethiopian Ministry of Environment and Forestry. State Minister Qare Qewecha said consolidated forestry development works will be carried out this season. Planting has already started in some localities, he added. Qare noted that Grand Ethiopian Renaissance Dam (GERD) is a heritage to pass to generations and the environmental protection project is meant to safeguard it against silt (ENA, June 18).