Ethiopia’s counter terrorism task force has announced that it has neutralized two al-Shabaab terror cells operating in Ethiopia. The Joint Counter Terrorism Unit of the National Intelligence and Security Service (NISS) and the Federal Police said the terror cells consisted of 25 individuals recruited and trained by al-Shabaab. The statement said the groups were assigned to promote an extremist Islamic sect of Khawarij which opposes tax payments, observance of traffic rules and modern education, among others. The first terrorist cell was under the direct command of an extremist group in South Africa, and was captured preparing for attacks in the western Ethiopian city of Jimma after crossing the border from Kenya. The second terrorist cell had been in contact and received direct guidance and leadership from the Khawarij extremist movements in Sudan, Yemen and United Kingdom, the statement added (state media, June 4). A man with links to the al-Shabaab terrorist group has been arrested, authorities have said. The man was ‘caught red handed’ plotting to carry out acts of terror in Addis Ababa. Authorities said the man was recruited and trained by the Al-Shabaab terrorist group to carry out terrorist acts in Ethiopia. Al-Shabaab has been threatening to launch attacks in countries that sent troops to Somalia. Ethiopia and its Eastern African neighbours, including Kenya, Uganda and Djibouti, are fighting the terrorist group in Somalia. The al-Qaeda affiliated group has successfully launched deadly terror attacks on Kenya, Uganda and Djibouti (WIC, June 3). At least 74 people were killed in fighting near Somalia's border with Ethiopia on June 1, according to officials and witnesses. Somali and Ethiopian forces attacked the bases of Al-Shabaab Islamists near the south-western town of Ato. The government claimed victory in this gruesome battle (WIC, June 3). The National Intelligence and Security Service (NISS) and the Joint Anti-Terrorism Taskforce of the Federal Police has disclosed that it has arrested four alleged suspects who caused loss of life and physical damage in Haromaya University in Oromia regional state by throwing grenade on students who were watching a football match on television last month. One of the suspects has committed suicide while in detention, according to the taskforce. The alleged suspects are students in different faculties of Haromaya University (state media, June 5). Ato Bekele Nega, secretary-general of the Oromo Federalist Congress (OFC), has said that beating and harassing Oromo nationals in different Oromia towns has taken a new turn for the worse, Ato Bekele told VOA that the mass arrests of Oromo nationals have continued in different parts of the country. He said students and their supporters are being beaten especially in Nekempte and Haromaya towns. Residents of various Oromia towns also told VOA that life had become difficult for Oromos following the recent disturbances in Oromia due to the controversy over the planned integration of some Oromia land into Addis Ababa Administration (Afro-Times, June 3; Ethio-Mihider, June 3). Police are arresting members of Arena Tigray political party in in Tigray and Afar. According to news sources, Ato Mesele Gebre Michael of the executive committee of Arena was taken to a police station by armed groups and questioned. Other members, were arrested while distributing the party's pamphlets to members. They were severely beaten and later arrested (Afro-Times, June 6). The Council of Ministers has proposed a budget of 178.6bio Birr for the 2007 E.C. fiscal year. The budget will increase by 23.7 billion Birr or 15.3% compared to that of last year, when the parliament approves it. Of the total budget, 112bio Birr is allocated for regular and capital budget, which shows a 15.1bio Birr increase . Of the total budget 51.5bio Birr is allotted to subsidize regional states, an increase by almost
8.5 billion Birr from the previous year. Some 15 billion Birr has also been allocated to support the country’s efforts in meeting the United Nations Millennium Development Goals (MDGs) by 2015 (ENA, June 4).

Sudanese Foreign Minister Ali Karti has requested Germany to present its opinion, technical advice and expertise based on the German experience in order to reach a satisfactory conclusion for all parties in the Ethiopian Renaissance Dam Project. At a meeting with the chairperson and members of the Committee on Economic Cooperation and Development in the German parliament, Sudan News Agency quoted Karti as affirming the importance of resolving contentious issues, in regards to the safety of the Ethiopian dam and its impact on Egypt's share of water from the Blue Nile, through dialogue and with the informed opinion of experts and specialists, not through statements and accusations in the media. The Sudanese foreign minister praised the strong bilateral relations between Sudan and Germany, and presented to the committee an explanation of President Omar Al-Bashir's initiative for national dialogue, pointing out that it does not exclude anyone, and includes all the issues in a way that is unprecedented for Sudan (Masr Al-Arabia news website Middle, June 6).

Ethiopian troops have once again been given a leading role in a United Nation Peace Keeping mission to be deployed in neighboring South Sudan next week. The UN Security Council has approved the deployment of three battalions of East African peacekeeping forces to try to prevent further fighting between South Sudan government forces and forces loyal to the former Vice President Riek Machar. The UNSC announced that the 2,500 troops from Ethiopia, Kenya, and Rwanda should begin deploying to the world's newest nation within a week. Getachew Reda said that the battalion would be led by an Ethiopian General. Getachew further indicated that the peacekeeping mission is aimed at enforcing the May 9 truce signed by President Salva Kiir and his rival ex-Vice President Riek Machar in Addis Ababa after a longstanding mediation process led by Prime Minister Hailemariam Desalegn (State media, June 4).

A fertilizer factory built in Tulu Bolo, Oromia Regional State, with a combined capital of 31.2 million Birr was inaugurated on June 1. The factory, with a capacity to produce 100 MT fertilizer per year, is expected to play a pivotal role towards increasing agricultural productivity of farmers. The three fertilizer plants being built in Tigray, Amhara and SNNP Regional States are well in progress (FBC, June 2). - The plant will make available to farmers an expanded range of soil nutrients. The products will be customized based on the specific soil types, crops and agro-ecologies. The plant, which has a capacity to produce 15,000 quintals of blended fertilizers per day, will be run by the Becho Woliso Farmers’ Cooperative Union. According to Dereje Hirpa, Head of the Union, the plant will start blended fertilizer production in the coming year. Ever since fertilizer was introduced in Ethiopia, the nation’s fertilizer usage has been limited to Diammonium Phosphate (DAP) and Urea. Nonetheless, research has revealed Ethiopian soils lack various compounds that could not be found in the two types of fertilizers (State media, June 3).