

## **Seven Days, Vol. 18 No. 38, November 21, 2011(\*)**

Several hundred Ethiopian troops crossed on Nov. 19 into southern and central Somalia, local elders said, but Addis Ababa dismissed the reports as "absolutely not true." "There are several hundred Ethiopian troops here in lorries and some armored vehicles too," said elder Abdi Ibrahim Warsame, speaking by telephone from Gurel town, in Somalia's central Galgudud region. Ethiopian forces were also reported in the Hiran region at the town of Beletweyne, some 30 km into Somalia, an area contested by Islamist Shabaab rebels and pro-government militia. But Ethiopia dismissed the reports outright. If confirmed, it would be Addis Ababa's first large scale incursion since it invaded Somalia in 2006 with US backing (*Radio Netherlands Worldwide (RNW), Nov. 19*).

The African Union is considering an ambitious plan to stabilize Somalia that could involve using thousands of Ethiopian troops to open a new front against the Shabaab militant group, officials of the union said. A member of the African Union peacekeeping force in Somalia performed a security check on Somalis outside a mosque in Mogadishu last week. The African Union's peacekeepers are already battling the Shabaab in Mogadishu, the capital, and Kenyan forces have recently begun fighting the Shabaab in southern Somalia near Kismaayo. But the prospect of the Ethiopian Army returning to the country under the African Union's banner is highly charged because of Ethiopia's bitter history in Somalia (*The New York Times, Nov. 17*).

The Ministry of Federal Affairs has announced that 132,000 heads of families from regions that need special support will be settled in villages this year and benefit from economic, social services and infrastructure. State Minister of Federal Affairs, Ato Mulugeta Wuletaw, presented the 2004 E.C. plan of the ministry to the Legal, Justice and Administration Affairs Standing Committee of the House of People's Representatives where he said that 55,000 heads of families from Somali, 27,000 from Afar, 30,000 from Benishangul, and 20,000 from Gambella would be settled in a village. He recalled that last year out of 144,214 heads of families from Somali, Gambella and Benishangul Gumuz, 125,085 heads of families had voluntarily been settled in villages in selected development centers. He said he believes the plan for this year would be implemented phase by phase based on the action plan. – In addition, Ato Mulugeta said the government is also carrying out a pastoralist community development project for Somali, Afar, Oromia and Southern region pastoralists living around 55 districts and 691 kebeles at a cost of 1.1bio birr. Three million people will become beneficiaries from this large project, he said. The State Minister added side by side with the development activities, the government also plans to prevent and resolve regional conflicts (*Reporter, Nov. 16*).

The United Nations Conference on Trade and Development (UNCTAD) said Ethiopia is likely to become one of the middle income countries during the next ten years. UNCTAD made official the 2011 report on Least Developing Countries (LDCs). The Director of the Division for Africa, Least Developed Countries and Special Programmes with UNCTAD, Taffere Tesfachew, said Ethiopia has the opportunity to join the list of middle income countries during the period. Taffere said the government has been investing a significant amount of resource on infrastructure development, which helps to extricate the country from poverty within a short period of time and also create favorable conditions for the private sector. The Director mentioned the government's efforts to bring about structural change in the economic sector in particular to transfer the agriculture led economy to industry (*state media, Nov. 17*).

Ethiopia is planning to spend \$150bio over two decades on economic development, including investments to lower the country's carbon emissions, according to a government document. Newai Gebre-ab, economic adviser to Prime Minister Meles Zenawi, said as much as \$3.6bio a year by 2030 in carbon-trading credits partly based on prices for the EU's emissions permits, according to the document. Initial plans to reduce emissions include changing farming methods, planting trees to halt deforestation, and introducing fuel-efficient stoves for cooking, according to the document. „We will shift from using animal power for agricultural work towards mechanized power,“ said Newai, who heads the committee that prepared the strategy document. Ethiopia needs an additional \$1bio per year over the same period develop its hydroelectricity-dominated power industry, the document showed. Funds will come from increasing electricity prices and foreign sources such as businesses and sovereign-wealth funds. - The Horn of Africa nation plans to keep its carbon-dioxide emissions at 150 million MT by 2030, the same as its current rate, according to the government's Green Economy Strategy document. Without the green investments, the rate would be 400 million t, it said (*Bloomberg, Nov. 18*).

The Government of Ethiopia has decided to establish four new dry ports in Woreta, Moyale, Mekele, and Dire Dawa to increase trade with neighbors and drive industrial growth in the country. The feasibility studies have been completed and the construction will begin soon (*Ezega.com, Nov. 17*).