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Fighting persisted in parts of South Sudan's oil producing region as African leaders tried to advance peace talks between the country's president and the political rivals he accuses of attempting a coup that the government insists sparked violence threatening to destroy the world's newest country. Kenyan President Uhuru Kenyatta and Ethiopian Prime Minister Hailemariam Desalegn met with South Sudanese President Salva Kiir. A senior government official warned that Riek Machar, the former vice president who now allegedly commands renegade forces in the states of Unity and Upper Nile, had to renounce rebellion before the government could negotiate with him. Michael Makuei Leuth, South Sudan's information minister, said the government has not yet established formal contact with Machar. It was not possible to reach Machar, as his known phone numbers were switched off (AP, Dec. 26).

As fears rise of a possible civil war in South Sudan, Ethiopia said it has began evacuating hundreds of its citizens from conflict-hit regions of the country. Ethiopia's ministry of foreign affairs said that over 650 Ethiopians have been transported back home as fierce fighting between government forces and rebels led by sacked vice president Riek Machar continues in Jonglei, Unity and Upper Nile states. The spokesperson of the foreign affairs ministry, Dina Mufti, told reporters that the Ethiopians were evacuated from Nasir town of Upper Nile state and transported to bordering Gambella region of Ethiopia, where they are being sheltered temporarily. Mufti said 300 Ethiopians have also been flown from Bor, the capital of Jonglei state, to Juba, South Sudan's capital, on UN helicopters. The capital has been relatively stable for over a week, after fighting with the army began on 15 Dec. (Sudan Tribune, Dec. 29).

A number of prisoners including journalist Woubishet Taye are suffering seriously because of lack of medical attention. Woubishet had been moved from Zway Prison to Addis Ababa Prison so that he could get better medical treatment. But he has now been moved back to Zway without getting the required medical care. His relatives have been greatly inconvenienced trying to reach him in Zway. Meanwhile, other prisoners, including Ato Bekele Gerba and Ato Abebe Hailemichael, are also ill and are not receiving medical attention. The prisons are accused of involvement in terrorist activities (Yegna Press, Dec. 24). The Ministry of Water, Energy and Irrigation has disclosed the outcome of the recent round of negotiations in Khartoum with Sudan and Egypt concerning the construction of the Great Ethiopian Renaissance Dam. The report said the Ethiopian government has rejected the new proposals made by the Egyptian government. The Ministry made the disclosure to all stakeholders and the media. The report said Ethiopia and Egypt have reached an agreement on certain points but failed to agree on others. Ato Fekahmed, Director of the Directorate of Transboundary Rivers in the Ministry, said the negotiations have, however, enabled Sudan to stand alongside Ethiopia. Both Ethiopia and Sudan have accepted the report of the international panel of experts issued last year on the dam but Egypt has objections to the report (Reporter, Dec. 25).

Revenue obtained from the horticulture sector is increasing year by year, the Ethiopian Horticulture Producers and Exporters Association reported. The association's chairperson, Zelalem Mesele, told that Ethiopia obtained 266m USD during the 2011/12 year, which shows a 42m USD increase compared to the previous year. Flowers constitute the biggest share in terms of revenue enabling the country to obtain 212.56m USD, while the balance came from vegetables, fruits and herbs. The size of land developed with flowers, vegetables, fruits and herbs is also increasing. Over 12,550 ha of land was developed with flowers, vegetables, fruits and herbs during the period. The size of land developed during 2011/12 exceeded the previous year's by 6,038 ha land. The report says companies from Ecuador, the Netherlands, India and Kenya are showing interest in investing in the sector (ENA, Dec. 26).

The Ethiopian Investment Agency said it has issued licenses for investment projects worth 1.5 billion birr in the first five months of the budget year. The Agency's Corporate Communication Director, Getahun Negash, told that the 337 projects licensed during the period are owned by foreign investors. Getahun said the projects are in manufacturing, hotel and tourism, agriculture and construction. The agency has started offering 27 services at its one stop shop to alleviate the problems encountered by investors during the licensing process,

the director said. The Ethiopian Investment Agency plans to issue licenses for 967 projects (WIC, Dec. 23).

About 96% of the solar energy project being carried out to provide solar electric energy for rural areas has been finalized, the Ministry of Water, Irrigation and Energy said. The ministry's public relation and communication director, Bizuneh Tolcha, said the project will electrify 25,000 houses in the nine regional states. A total of over 150,000 people will have access to electricity through the project with a capacity of 982mw power. Rural areas in the nine regional states and far from the national grid system will benefit from the project. According to Bizuneh, the installation of the home solar systems will be finalized until the end of this month. Over 22,000 home solar systems have so far been installed across the country, Bizuneh said. The project is being carried out at a cost of 209m Birr secured from the World Bank and the coffers of the Federal Government (ENA, Dec. 23).

Expansion work on the Aluto-Langano Geothermal Power Plant was launched. The US\$30m project will upgrade the plant's generating capacity to 70MW. The Minister of Water, Irrigation and Energy, Alemayehu Tegenu, said, the expansion will boost the country's electricity supply from geothermal by 70MW by 2007 E.C. from the current 7 MW. The expansion project will be financed by assistance from the government of Japan, the World Bank and the government of Ethiopia. Kazuhiro Suzuki, Japan's Ambassador to Ethiopia said that Japan has provided US\$10m assistance to support the project. Located in the Rift Valley Lakes Region, the Aluto Langano Geothermal Power Plant is the first geothermal power plant in Ethiopia. The plant was established in 1998 as a pilot plant to test the geothermal resources in the area. Covering an area of about 8km², various studies have indicated that up to 100MW electric power can be produced from the Aluto steam field, which is one of the high temperature prospected area in the country (ENA, Dec. 27).

The International Air Transport Association (IATA) last week announced that Ethiopia's air cargo market is the fourth fastest growing in the world. IATA's Airline Industry Forecast 2013-2017 released at the IATA annual Cargo Media Day held on Dec. 11 in Geneva, Switzerland, shows that Vietnam is expected to be the fastest growing country for air freight volumes over the forecasting horizon with a compound annual growth rate (CAGR) of 6.6 per annum. Africa is forecast to be the fastest growing region over the forecast period with a growth rate of 4.0% CAGR. According to IATA, the fastest growing freight route for Africa is the inter-Africa market (5.3%).

The construction of the Megech Irrigation and Drinking Water Dam Project with an aggregated capital of 2.4bio Birr allocated by the government has started. Upon completion, the dam on Megech River (near Gonder town) is expected to hold 1.8 billion m³ of water. The manager of the project, Agonafir Zewde, said the dam would help develop some 17,000 ha of land using irrigation, besides securing drinking water for Gonder town for a century. The construction of the dam that is being carried out by the Water Works Construction in Ethiopia will be 76m high and 890m long. The project has created job opportunities for more than 500 people (Fana Broadcasting Corporation (FBC), Dec. 25).

A new book authored by former Derg Prime Minister Fikreselassie Wogderess will soon be distributed. Entitled, "The Ethiopian Revolution and the US" was published by the US-based Tsehay Publishers, the same publisher which printed the book of Colonel Mengistu Hailemariam. Captain Fikreselassie had retired after serving the Derg for 15 years. He spent 20 years in prison during the current government. He had been sentenced to death but was later set free. The book recounts the process in which the Derg came to power after overthrowing the late Emperor Haileselassie (Sendek, Dec. 25).