

Horn of Africa

A Region of Changes and Challenges

Documentation

**Compiled by Hans-Ulrich Stauffer
Afrika-Komitee Basel, Switzerland
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Port of Massawa

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Introduction

By Hans-Ulrich Stauffer, Afrika-Komitee, Basel

In June 2018, the Ethiopian Prime Minister, Dr. Achmed Abiy, accepted the Algiers Agreement and the Ethiopian-Eritrean Border Ruling. This move came for many by surprise. The announcement was welcomed by the Eritrean Authorities. On 9th of July both countries announced a joint declaration of peace. All these developments have been documented in my first publication “A new Era: Eritrea – Ethiopia in Peace”¹.

Since then the drive to peace and cooperation between the two countries have gained momentum. Furthermore, it spread all over the crises-ridden region of the Horn of Africa. Eritrea settled the longstanding dispute with Somalia. Djibouti and Eritrea decided to settle the border issue. Ethiopia urged Eritrean opposition groups to not work from Ethiopian territory against Eritrea no more. Eritrea herself broke peace agreements with Ethiopian opposition groups and their military wings. With the agreements with Somalia and Djibouti, Eritrea is next to the lifting of the UN-sanctions.

Meanwhile the harbors of Massawa and Assab are open for Ethiopian imports and exports. The first Ethiopian ship to dock at Massawa was “Mekelle”, named after the capital city of Tigray – what a symbolic sign!

Plans being made to build an oil-pipeline from Assab to Addis Abeba and to revamp the oil refinery of Assab. To export the huge deposits of potassium in the Colluli region that covers both sides of the Eritrean-Ethiopian border, a new harbor at Anfile is discussed. Ethiopia would benefit – as Eritrea does – of a very short access of 75 km to the coast, instead of the more than 700 km access to Djibouti.

In the present documentation, we compile texts and analyses about the recent developments of the month of August and the beginning of September, as it may help to gain a better and deeper understanding of the tremendous peace process that takes place in the Horn of Africa.

Again we would like to declare that the documents have been taken from different sources. This selection is not based on scientific research but aims to provide an overview on the developments. Comments are very welcome!

Basel, Switzerland, September 15, 2018

¹ <http://www.afrikakomitee.ch/documentation-ethiopia-eritrea-in-peace/>

Comment

Will Detente Lead to Democratic Reform in Ethiopia and Eritrea?

TESFANEWS SEPTEMBER 7, 2018

The detente has opened opportunities for prosperity and better circumstances for ordinary Ethiopians and Eritreans. But will the governments in each country pursue the reforms necessary to turn those opportunities into a better reality? Can governance and democracy in these states improve with the same vigor as their relations?

BY AMBASSADOR HERMAN J. COHEN

The rapprochement between Ethiopia and Eritrea is as surreal as it is wonderful. For decades, politics and governance in both states were defined by their bitter conflict. Now that they have suddenly embraced as friends, Africans and international observers have numerous questions about what this means for each nation.

In 1991, I worked to facilitate a peace agreement ending a 33-year civil war in Ethiopia, creating Eritrea as an independent state. Just seven years later, it was upended in a border war which lasted until 2000, killing another 80,000 people.

In 2002, a Hague commission negotiated a new boundary, but Ethiopia never fully implemented this agreement – in particular by retaining a small town of great symbolic significance, Badme, where the war began. Relations remained frozen in acrimony and military tension.

All this has changed with the election of a new prime minister in Ethiopia, 42-year-old Abiy Ahmed. Détente with Eritrea is the centerpiece of Ahmed's agenda.

His administration has accepted the Hague border agreement, ceding Badme to Eritrea and sending the message that his country was prepared to swallow its national pride and embrace its historic enemy. Weeks later in Eritrea's capital of Asmara, he did so literally, hugging Eritrea's President Isaias Afwerki to cheers from Ethiopians and Eritreans alike. The two leaders formally declared an end to their state of war.

Diplomatic relations have been restored, embassies reopened, and direct flights from capital to capital are now available. Trade discussions are in progress, including the restoration of access to Eritrea's important ports. Phone lines are open, and Eritreans and Ethiopians are excitedly calling each other for the first time in decades. Comparisons to the fall of the Berlin Wall abound.

The detente has opened opportunities for prosperity and better circumstances for ordinary Ethiopians and Eritreans. But will the regimes in each country pursue the reforms necessary to turn those opportunities into a better reality? Can governance and democracy in these states improve with the same vigor as their relations?

For Ethiopia, the future is beginning to brighten. A member of the Oromo ethnic minority, Prime Minister Ahmed has instituted domestic reforms at an astonishing pace. He has ended the “state of emergency” imposed by the last regime to enforce military rule and restrict political freedoms.

He has released thousands of political prisoners and eliminated “terrorist” designations for opposition groups. He fired the head of Ethiopia’s prison service and declared an end to torture, calling it “our act of terrorism.” He has also begun to open the economy, announcing that some state-owned corporations would be privatized, and that investors would be invited into key economic sectors like energy.

The strongest bellwether for reform in Ethiopia will be a shift to true multi-party democracy. Mr. Ahmed remarked that the country has “no option” but to pursue it. He has referred to democratic elections as “my dream and ambition.”

Over the past twenty years, the Tigrayan minority ethnic group has exercised constant political dominance and repression. In spite of this, the country has enjoyed significant economic growth amid widespread infrastructure improvements – which can be a potent means to secure political power – but several generations of university-educated citizens are now clamoring for democratic freedoms.

Ahmed is an Oromo, representing an ethnic group subjected to tyrannical oppression by the Ethiopian state over the past several years. His rhetorical promises for democracy are backed by genuine progress on domestic reforms, a strong reason for the hope that Ethiopia will indeed move towards a more democratic system.

The burning question is what all this means for Eritrea and President Isaias Afwerki, who has served for twenty-five years. The 1998 war was a major setback for the newly independent state, especially its economy. Cross-border commerce, a key to the Eritrean economy, stopped completely. Before the war, Ethiopian use of the Eritrean ports at Assab and Massawa had been a major source of rental income for Asmara. Young men and women, who form the labor base of the Eritrean economy, went to war – and continued to patrol the border with Ethiopia until recent weeks. To make matters worse, a major exodus of young Eritrean men fled to Europe to escape the country’s compulsory, indefinite military service, and to search for regular employment.

The 1998 war ended any early prospect that the authoritarian Maoist system instituted by Isaias might become less rigid and more responsive to popular aspirations. Nevertheless, after the end of actual fighting in 2000, Eritrea’s stability and a relative absence of corruption made the country an attractive destination for foreign investors, particularly in the mining sector. At the same time, Eritrea’s strategic geographic position in the volatile Red Sea sub-region continues to make its ports attractive to adjacent powers, including Kuwait and the United Arab Emirates.

Will peace and normalization between Eritrea and Ethiopia open a new era of gradual socio-political liberalization within Eritrea? President Isaias, a disciple of Mao, now has an

opportunity to emulate Mao's successor, Deng Xiaoping, who encouraged indigenous Chinese capitalism and greater freedom of choice.

Eritrea's compulsory national service is expected to end as the conflict with Ethiopia comes to a close, a development which Europe will cheer, but which will create a wave of unemployment unless appropriate steps are taken. As it looks to stem the tide of young Eritrean refugees seeking better opportunities, Europe appears willing to assist Eritrea's economic development, and the country's changing relationship with Ethiopia could lead to new economic growth and a more hopeful future for its workforce.

Within the Eritrean diaspora in the United States, there are growing voices calling for democratic reform. As the hero of the Eritrean independence struggle, as the architect of a growing Eritrean economy, and as the leader of the fight to preserve Eritrean independence against Ethiopian aggression, President Isaias should not fear a more open Eritrean system. Now would be a good time to start the process.

Herman J. Cohen is former Assistant Secretary of State for African Affairs (1989-1993), the U.S. Ambassador to Senegal and The Gambia (1977-1980), a National Security Council member, (1987-1989) and a 38-year veteran of the Foreign Service.

Eritrea

UNSC Considering Lifting Eritrea Sanctions

TESFANEWS JULY 28, 2018



Finally, the UN Security Council mulls lifting Eritrea sanctions by next week.

BY ARABS TODAY

Members of the UN Security Council have begun discussions and consultations to determine the circumstances under which sanctions imposed on Eritrea could be lifted since 2009 in the light of reconciliation between Asmara and Addis Ababa.

In this regard, the Chairman of the Sanctions Committee for Somalia and Eritrea, Ambassador Khairat Umarov of Kazakhstan, will brief the Council on the work of the Committee next Monday, followed by closed consultations.

He also made his remarks after his visit from 4 – 10 May to Djibouti, Kenya, Somalia, and Ethiopia, accompanied by representatives from Ethiopia, Kuwait, the Netherlands, Sweden and the four non-permanent members of the Security Council. The delegation was unable to visit Eritrea.

Ethiopian Prime Minister Abi Ahmed and Eritrean President Isaias Afwerki met recently in Asmara and signed a peace deal ending a 20-year conflict.

Under the deal, the two leaders decided to restore diplomatic ties and agreed to open embassies, resume aviation services and allow Ethiopia to use the port facilities in Eritrea.

UN Secretary-General Antonio Guterres, who visited Ethiopia the next day, said that “this” could lead to the lifting of UN sanctions against Eritrea.

The Ethiopian ambassador to the United Nations, Tikida Alemu, whose country holds a non-permanent seat in the council, last week briefed members on recent developments concerning reconciliation between his country and Eritrea, which the other members felt Addis Ababa was now pushing for lifting sanctions against Eritrea.

International sanctions on Eritrea include the arms embargo, asset freeze, and restrictions on the travel of certain officials.

In its resolution 1907, the Security Council accused Eritrea of providing “political, logistical and financial support to the Somali armed movements, not recognizing the Transitional Federal Government of Somalia, and not withdrawing its forces from its common border with Djibouti, especially in Ras Dumiera and the island of Dumiera.”

Eritrea rejects these accusations and considers them unjust.

UN Chief Welcomes Horn of Africa Rapprochement

TESFANEWS SEPTEMBER 8, 2018

UN Secretary-General Antonio Guterres on Saturday welcomed the visit by foreign ministers of Eritrea, Ethiopia, and Somalia to Djibouti.

BY IANS

UN Secretary-General Antonio Guterres on Saturday welcomed the visit by foreign ministers of Eritrea, Ethiopia and Somalia to Djibouti, hailing it as “another important step” in the rapprochement among the countries in the Horn of Africa region.

In a statement through his spokesperson Stephane Dujarric, Guterres said the agreement reached among the four ministers to work together to restore peace and stability in the region is a positive example for the region and beyond, Xinhua reported.

He reiterated the readiness of the UN to support countries in the region in consolidating the recent “remarkable” gains.

As a result of the visit on Thursday, Eritrea and Djibouti agreed to normalize relations after a decade of diplomatic stalemate. The two countries have a border dispute extending back to 2008.

The Horn of Africa region has seen a number of diplomatic thaws since Ethiopia's Prime Minister Abiy Ahmed in June decided to fully accept a 2002 border deal that followed a 1998-2000 war with Eritrea.

Restored diplomatic ties quickly followed. Eritrea and Somalia in late July also agreed to restore diplomatic ties.

Eritrean Gov't Approves Danakali's Social and Environmental Plans (SEMPs)

TESFANEWS AUGUST 22, 2018

Danakali Ltd finalizes Colluli social and environmental plans for its world-class Colluli potash project and the Eritrean Ministry of Land, Water and Environment has accepted it after an extensive impact review process.

BY TEFANEWS

Potash developer Danakali has reached another milestone at its Colluli project, in Eritrea, with the Eritrean Ministry of Land, Water and Environment accepting the finalized social and environmental management plans for the project.

Finalization and acceptance of the SEMPs represent another strong milestone for Colluli Mining Share Company (CMSC) as it prepares for project execution.

Danakali said on Wednesday that the acceptance followed extensive reviews of the management plans in the context of the previously approved social and environmental impact assessment, numerous meetings, and extensive comments provided to and actioned by the Colluli Mining Share Company (CMSC).

Danakali executive chairman Seamus Cornelius said, "We are committed to having a significantly positive impact in Eritrea.

"Colluli stands to provide significant social and economic benefits, creating hundreds of permanent jobs for Eritrean nationals and catering for community interests.

The project is fully permitted following the signing of a mining agreement between CMSC and the Eritrean Ministry of Energy and Mines, and the subsequent award of the requisite mining licences in early 2017.

The project is 100%-owned by CMSC, a 50:50 joint venture between Danakali and the Eritrean National Mining Corporation (ENAMCO).

A 2015 feasibility study estimated that the Stage 1 development of Colluli will require a capital investment of \$442-million.

The study examined a two-module development with an expected production of 425 000 t/y of sulphate potash (SoP) for the first five years of operation, increasing to 850 000 t/y for the remainder of the proposed 200-year mine life.



Similar underdeveloped potash projects in neighboring Ethiopia will soon start benefiting from access to the closest Colluli project logistic infrastructure rather than the initially proposed long and expensive Djibouti route.

Colluli's Impact in Eritrea

Eritrea stands to benefit from the long-term economic, social and community dividends that Colluli will generate:

- Positive impact through infrastructure, job creation, taxes, royalties, and associated economic development;
- Creation of hundreds of permanent jobs for Eritrean nationals;
- Long term training for trades and professionals; and
- Potential for adjacent industry development – including infrastructure, mining services, transport, and hospitality.

Eritrea Plans Building New Port for Potash Exports

TESFANEWS AUGUST 23, 2018

The facility could be used to ship potash from Ethiopia as the Djibouti route is very far.

BY NIZAR MANEK | BLOOMBERG

Eritrea is considering building a port on its Red Sea coastline to export potash from deposits being developed in the Horn of Africa nation, a mines ministry official said.

Plans for the harbor signal the country's reemergence as a potential investment destination after its surprise rapprochement with neighboring Ethiopia last month ended two decades of political tensions.

The facility could be used to ship potash from Ethiopia and adds to a series of port developments in the strategically located region by nations including Djibouti, Somalia, Sudan and the self-declared Republic of Somaliland.

The port would be situated at the Bay of Anfile, 75 kilometers (47 miles) east of the 1.2 billion-metric-ton Colluli potash deposit, Alem Kibreab, director-general of mines in the Ministry of Energy and Mines, said in an interview in the capital, Asmara.

A feasibility study is underway, with the start of construction envisaged about five years after a mine starts operating there, he said.

"To begin, the company has to make money," Alem said.

High Grade

The mine will be operated by Colluli Mining Share Co., jointly owned by Danakali Ltd. of Australia and the state-owned Eritrean National Mining Co. Colluli contains deposits of high-grade fertilizers suitable for use on fruit and coffee trees and vegetables, according to Danakali's website.

It's situated in the Danakil Depression, a geological area that stretches into Ethiopia and is regarded as an "emerging potash province," the company said.

Danakali expects construction of the \$320 million mine to start later this year, Chairman Seamus Cornelius said by phone from London. The company is engaging bankers to secure funding for construction of the mine, he said.

"Those discussions have accelerated" following the recent rapprochement between Eritrea and Ethiopia, he said. "With the rapid changes and the rapid improvement in the geopolitical situation, things we weren't thinking were possible in the past are now possible."

Eritrea gained independence from Ethiopia a quarter of a century ago. The two countries had been at odds since a 1998-2000 war that claimed as many as 100,000 lives and have each harbored rebels hostile to their neighbor. Last month, they agreed to implement a long-delayed peace agreement that ended the conflict.

Existing Port

Construction of the mine is expected to take about two years, before the start of production that will eventually rise to 472,000 tons per year, Cornelius said. Output initially will be shipped from the existing Eritrean port of Massawa, which has sufficient capacity to handle the mine's exports but is further away than Anfile, he said.

Alem said Anfile could be used by potash projects being developed in Ethiopia as an export route, instead of Djibouti, which is farther away.

Oslo-based Yara International ASA plans to establish a \$700 million potash plant near the Eritrean border, while British Virgin Islands-registered Circum Minerals Potash Ltd. has a mining license there covering 365 square kilometers (141 square miles).

Djiboutian ports authority Chairman Aboubaker Omar Hadi didn't respond to emails requesting comment on whether its Chinese-built Tadjourah port to serve potash companies in Ethiopia has been completed in time for production planned this year and whether a 128-kilometer road linking the port to the Ethiopian border is complete.

"It's a no-brainer that if you could have a port there and potash on the Ethiopian side, obviously you will choose that port," Alem said. "Before the peace came, that was an impossibility."

Adi Kuala: Elections of area administrators and managing directors

Mendefera, 29 August 2018 – Residents of Adelges, Adi Bahro, Adi Akielo and Qesmo Dengolo administrative areas of the Adi Kuala sub zone have elected new area administrators, managing directors and village coordinators, substituting the outgoing ones.

Mr. Tesfay Abraha, managing director of the sub zone, commending the residents for their participation in the elections called on the newly elected to serve the people that elected them wholeheartedly and with all dedication. He further called on the residents to encourage and cooperate with the newly elected during their service.

The newly elected area administrators and managing directors on their part expressing conviction to serve the people that elected them called for sustained advice and cooperation from the public.

The election of area administrators, managing directors and village coordinators of the 22 administrative areas of the Adi Kuala sub zone will continue until 24 September.

Reports indicate that there are 22 administrative areas in the Adi Kuala sub zone comprising of 110 villages.

(shabait.com)

Peace dividend: Eritrea to build a new port by 2025

29 August 2018 | By GCR Staff

Eritrea has announced plans to capitalise on its recent peace treaty with Ethiopia by building a port to export potassium.



The Danakil desert of Eritrea (Ji-Elle/Creative Commons)

The development would be situated at the Bay of Anfile, 75km east of the \$320m Colluli mine planned for the “potash province” of Danakil, which also extends into Ethiopia. At present, the nearest port is Massawa, 230km to the northwest.

An Australian mining company called Danakali has been set up to exploit the deposit, and hopes to become a world leader in the production of sulphate of potash, which is used as a fertiliser. It will work in a joint venture with the Eritrean National Mining company.

The port announcement was made by Alem Kibreab, director-general of mines in the Ministry of Energy and Mines, in an interview with the Bloomberg news organisation. He said a feasibility study was under way, with the start of construction envisaged about five years after Danakali opens its mine. The revenue from that project will provide the basis for financing the port.

Danakali expects construction of the mine to start later this year, and to be complete sometime in 2020, according to Bloomberg, which would put the opening date for the port at about 2025.

Elsewhere in the country, the Sichuan Road & Bridge Company has announced that it will start producing copper, zinc, gold and silver at a mine by early next year, helping further to diversify the country's tiny agrarian economy.

"We expect by the first quarter of 2019 it will start," Kibreab said at the end of last week. "Operations will be in phases: the first phase will be direct shipments of high-grade copper ore."

The announcements followed a transformation in Eritrea's economic prospects in the wake of a diplomatic breakthrough in its two-decades-long frozen conflict with Ethiopia. The peace treaty was signed in July in an atmosphere of jubilation, by Isaias Afwerki, the president of Eritrea, and Abiy Ahmed, the reformist prime minister of Ethiopia.

If the projects go ahead, it will be another step in the economic transformation of the Horn of Africa, from a zone of chronic instability to one of the most dynamic in the sub-Saharan region, based on the successful development of Ethiopia, which is the main population centre.

In June, Somalia and Ethiopia announced plans to invest in "four key seaports" and an international highway network as a way of attracting foreign investment, and even the breakaway Republic of Somaliland was the target for a \$500m port scheme (see further reading).

<http://www.globalconstructionreview.com/news/peace-dividend-eritrea-build-new-port-2025/>

Eritrea, Russia Foreign Ministers Meets in Sochi

TESFANEWS AUGUST 31, 2018

Discussions will focus on the prospects of increasing Russian investments, trade including joint projects in the energy sector, development of mineral deposits, and construction of infrastructure facilities in the port city of Assab.

BY TEFANEWS

Senior Eritrean delegation composed Foreign Minister Osman Saleh and Presidential Advisor Yemane Gebrab met and held talks today with the Russian Foreign Minister Sergey Lavrov in Sochi.

During their three-day working visit, the Eritrean delegation will discuss on the development of bilateral relations and foreign policy cooperations that are necessary to build up the trade and economic component of their relation.

At today's joint press conference, Foreign Minister Lavrov stated that Russia-Eritrea bilateral ties are on track and set to flourish. He further stated that Russia is ready and working to expand trade and investment ties with Eritrea.

Foreign Minister Osman on his part underlines the importance Eritrea attaches to bilateral ties of cooperation with Russia.

Foreign Minister Sergey Lavrov told reporters that Moscow believes it is necessary to start removing the sanctions imposed on Eritrea by the UN Security Council due to the signs of improvement in the situation in the Horn of Africa.

"Amid profound positive changes in the Horn of Africa over the past few years, especially between Eritrea and Ethiopia, we believe it is necessary, on the practical level, to begin removing those sanctions that were imposed on Eritrea by the UN Security Council," he noted.

He also expressed Russia's support and delight on the Peace Agreement reached between Eritrea and Ethiopian, and the positive developments in the region.

"We welcomed the process of normalizing the Eritrean-Ethiopian relations that began in June, welcomed the resumption of direct contacts between the parties, which made it possible to move towards removing all mutual concerns. We noted that this became possible thanks to the goodwill of the two countries' leaders," adds FM Lavrov.

"We are confident that the normalization of ties meets the fundamental interests of the peoples of Eritrea and Ethiopia and will contribute to efforts to create an atmosphere of good-neighborliness between the two countries, becoming an important factor for strengthening stability and security in the Horn of Africa."

FM Sergey Lavrov presented the Medal of the Foreign Ministry of the Russian Federation to FM Osman for his contribution to the advancement of relations between the two countries and for international diplomacy.

“We also support positive changes in relations between Eritrea and Somalia and would like relations between Djibouti and Eritrea to overcome the crisis as well. We will provide every assistance to normalizing the atmosphere throughout the Horn of Africa,” Lavrov stressed.

The political stabilization in the region will make it possible to create excellent opportunities for deepening regional economic integration.

“We will promote such processes and are ready to encourage Russian companies to take part in promising multilateral projects, such as the creation of regional transport corridors, cross-border pipelines, and others,” the Russian minister added.

Earlier this month, the United Arab Emirates announced it will finance a new oil and gas pipeline that extends from the Eritrean port city of Assab to the Ethiopian capital Addis Ababa.

There is also plan to revamp an old Soviet-era refinery at Assab port.

Existing strong relationships with both Eritrea and Ethiopia made Russian companies the favorite for the proposed pipeline project.

Russia and Eritrea are also agreed to set up a logistics center at the Eritrean port of Assab besides reaching an understanding for Russia to invest in the development of potash at the Colluli potash project in Eritrea.

Russia’s Ketina Mining, a subsidiary of Gazprombank (GPB) (RTS: GZPR), has been granted an exploration license in 2014 to explore base metals in Molki subzone, Gash Barka region of Eritrea.

This year, Eritrea and Russia will celebrate their 25th anniversary of diplomatic relations. We have achieved a very high level of political cooperation and mutual understanding during this quarter of a century,” said FM Lavrov.

The Eritrean delegation was the first among high-ranking foreign representatives to visit Crimea after the peninsula’s reunification with the Russian Federation, in 2014. Since then, Eritrea’s ties with Crimea have been developing actively.

A high-powered delegation of Eritrea also attended the Yalta International Economic Forum (YIEF) and the Friends of Crimea Forum in April of this year.

Eritrea May Slash Length of National Service

TESFANEWS SEPTEMBER 3, 2018

“When to revert national service to 18 months statutory terms will be a question of time” – Yemane G.Meskel

BY NIZAR MANEK | BLOOMBERG



End of war-footing prompts the need to reform the national service program. Authorities, however, are planning a carefully considered, strategic and sustainable approach towards demobilization, which they say depends on Ethiopia concluding its parts of the peace deal and withdrawing its troops from Eritrean territory.

Eritrea says it will cut the size of its army as part of changes to a system of mandatory national service that the United Nations blames for propelling tens of thousands of people to flee to Europe and neighboring countries.

The official end to a two-decade war with neighboring Ethiopia means the country that sits on a key shipping route to the Suez Canal may be able to place some working-age people in industries such as infrastructure and agribusiness and spur self-employment, according to government officials.

Right groups and the UN said the conscription policy fueled a wave of migration. At its peak in 2015, Eritreans were the fourth-largest group illicitly crossing the Mediterranean, adding to Europe’s refugee crisis.

Eritrea, which is about the size of the U.S. state of Pennsylvania, describes them as economic migrants.

“Definitely a small army will remain, and the others will concentrate on the developmental work as planned,” Minister for Labour and Human Welfare Luul Gebreab said in an interview in the capital, Asmara.

Eritrea’s military is the Horn of Africa nation’s oldest institution, with roots in the rebel movement that won independence from Ethiopia in 1993 after decades of struggle.

A 1998-2000 conflict between the two destroyed their relations and Eritrea, citing the threat of Ethiopian aggression, quashed dissent and indefinitely prolonged national service, which includes civil servants who can be deployed to the front-line. Officials wouldn’t disclose the army’s size, citing national security.

Population Discrepancy

Eritrea’s population is an estimated 3.2 million, according to a non-public labor force survey for 2015-16 by the labor ministry that Bloomberg obtained independently and Luul said was authentic.

A public report by Eritrea’s foreign ministry last year cited a 2015 estimate of 3.65 million — a discrepancy of 450,000 people in two official documents that both cite Eritrea’s National Development Ministry. The survey was funded by the UN Development Programme and Eritrea’s government.

“People are saying the population is fleeing, fleeing, fleeing, but that’s the scenario not only of Eritrea: look at Chad, Somalia, Ethiopia, Sudan, Mali,” said Luul, who declined to clarify the discrepancy. A census that’s “on the verge of preparation” will detail the reasons for the different figures, she said.

Border Demarcation

Eritrea’s army partly demobilized two years after independence, only to return to a war-footing in 1998, while another attempt 10 years later had to be suspended because Ethiopia failed to implement a Hague-backed commission’s decision on the demarcation of their border, according to Luul.

July’s pact with Ethiopia to restore diplomatic, telecommunications and commercial links has changed the calculus.

An adviser to President Isaias Afwerki has said the one-party state will have to respond to promises of democracy in its giant neighbor. And improved relations open the door for trade with landlocked Ethiopia, which is home to about 100 million people and has the continent’s fastest-growing economy.

Eritrea’s government is “definitely studying” the economic effects of demobilization, according to Luul. She described “potential areas of intervention” to diversify the primarily agrarian economy that includes natural resources, agro-industry, fisheries, and infrastructure. Only a

few foreign companies such as Nevsun Resources Ltd. of Canada and China's Shanghai SFECO Group operate in the country.

"Could we add value and employ a large sector of the population? At this stage, we will take it slowly, step by step," Luul said.

Salary Reviews

Government salaries, which vary between \$120 – \$267 a month before automatic deductions for items such as housing, will also be reviewed this year after they were raised in 2016 for the first time since the 1998 war, Information Minister Yemane Gebremeskel said in an interview.

National service, which begins with six months of military training, has been "elongated" beyond a statutory definition of 18 months because Eritrea has been on a war-footing, Yemane said. No announcement has been made to reverse this, the officials said.

"People are asking me whether national service has been reduced to statutory terms, I say not yet," Yemane said. "When that will be announced will be a question of time."

Ethiopian Withdrawal

Demobilization depends on Ethiopia concluding its parts of the peace deal and withdrawing its troops from Eritrean territory, according to the officials. The countries agreed "there is no need to maintain a huge number of forces on that border area," said presidential adviser Yemane Gebreab, who's on a joint committee with Ethiopia to settle the issue.

The survey doesn't identify those in the army. Adviser Yemane, however, said less than a fifth of those in national service are in the military while 80 percent have civilian roles.

"We are in the process of change and the peace agreement is in the process," Luul said. "If this continues and solidifies, for sure the original plan of the national service will be one pillar, not the only pillar."

National Urgency

The survey, dated January 2018, describes itself as Eritrea's first-ever wide-ranging national labor force survey. It shows 18.5 percent of working people — 265,193 — serve in "public administration of state and community," while agriculture is the biggest employer, with 43 percent. That description includes national service, Luul said.

The survey concludes that Eritrea is experiencing a "national urgency," seeming to "suffer more from underemployment and inadequate employment than unemployment itself."

Adviser Yemane said the challenge now is a "big burden for the government which has to pay salaries and upkeep" for citizens on the government payroll. He described government ambitions to create "enough good quality jobs for them to find their own employment or set up self-employment."

“It’s not about demobilizing people from national service,” he said. “It’s about finding job opportunities outside” that framework.

Eritrea to rejoin IGAD next week

The final signing ceremony of South Sudan revitalized peace agreement will take place in Addis Ababa next week.

By Amare Asrat | Fanabc
8 September 2018



Eritrea will rejoin the East African bloc, the Intergovernmental Authority on Development (IGAD), at an event to be held in Addis Ababa, Ethiopia next week.

Eritrea suspended its IGAD membership in 2007 and rejoined the bloc in 2011. But it suspended its membership again in 2017.

In a related development, the final signing ceremony of South Sudan revitalized peace agreement will take place in Addis Ababa next week.

Sudan Tribune quoted Ismail Wais, IGAD Special Envoy for South Sudan, as saying “the final signing ceremony will be done in Addis Ababa.”

He added the Council of ministers will be held on the 11 and 12 September followed by the Summit of IGAD Assembly of Heads of State and Government.

The two meetings will discuss the concerns and reservations of the opposition groups and endorse the final text of the revitalized peace agreement, Sudan Tribune added.

(Madote)

Eritrea-Ethiopia

Ethiopia Orders “Eritrean Opposition” Parties Cease Anti-Eritrea Activities

TESFANEWS JULY 29, 2018

BY MARTIN PLAUT

General Mesfin Amare, the head of Ethiopia’s Liaison Office for Eritrean Affairs, has informed Eritrean opposition parties based in Ethiopia that they must immediately end all political activities against the Eritrean government on its soil.

The General took this action as President Isaias Afwerki flew into Addis Ababa.

At the same time, the opposition parties were assured that they will not be handed over to Eritrea, and can remain in the country if they stop all activity.

All opposition radio stations broadcasting from Ethiopia will be closed, and that their slots on state-owned television have been cancelled.

The decision can not have come as a surprise.

It would have been inconsistent for Prime Minister Abiy Ahmed to preach reconciliation with Eritrea, and warmly receive its president while allowing Eritrean opposition groups based in his country to ferment revolution in Eritrea.

One can only assume that President Isaias will have sent a similar message to Ethiopian opposition movements that have been based in his country.

But there is one key difference: Prime Minister Abiy has been unbanning opposition movements and embracing its leaders.

President Isaias has so far taken no equivalent step with his own opposition [LOL].

Editor’s Note

Armed Ethiopian opposition groups based in Eritrea have issued their respective statements to announce the end of armed struggle following the removal of the TPLF regime from power and introduction of major reforms in the country by the new government.

Patriotic Ginbot 7, TPDM, OLF and ONLF have all announced they ceased the armed struggle and expressed their readiness to return to their country and be part of the change.

“Our forces have received strict orders to refrain from any sort of armed resistance,” the statement released by Ginbot 7 reads.

It added the decision “takes into full consideration our preparedness and determination to foil any attempt to derail the current change process by anti-change elements within EPRDF [Ethiopian People’s Revolutionary Democratic Front]”.

Stauffer’s Note

It is well known that Plaut is in sharp contradiction with the present Eritrean leadership. He advocated for a forced takeover of the power by a group within the present hierarchy, with the goal to oust President Afewerki (see: Understandig Eritrea, p. 214). No wonder that to this day, Plaut is still biased in his report.

Eritrea and Ethiopia: Towards Economic Cooperation

TESFANEWS AUGUST 6, 2018

BY **NATNAEL YEBIO W.**

Peace is poised to deliver significant economic gains for both Eritrea and Ethiopia. While it embodies the spirit of both countries, peace also signals progress in the region. In terms of economy, it promises great investment and trade opportunities, as well as the possibility to boost physical infrastructure. It is time for sustained peace through economic development.

The Joint Declaration of Peace and Friendship that was signed on July 9th, 2018, states:

- 1) The state of war between Ethiopia and Eritrea has come to an end. A new era of peace and friendship has been opened;
- 2) The two governments will endeavor to forge intimate political, economic, social, cultural and security cooperation that serves and advances the vital interests of their peoples;
- 3) Transport, trade and communications links between the two countries will resume; diplomatic ties and activities will restart;
- 4) The decision on the boundary between the two countries will be implemented;
- 5) Both countries will jointly endeavor to ensure regional peace, development, and cooperation; will see both governments work towards economic cooperation built on a framework that will be beneficial for both countries in the medium and long-term.



Eritrea and Ethiopia agreed to work towards economic cooperation built on a framework that will be beneficial for both countries in the medium and long-term.

Based on this agreement, the rapprochement between the two governments has been established over the last two weeks. Telephone lines are open; President Isaias Afwerki made a historic three day visit to Ethiopia and reopened the Eritrean Embassy in Addis Ababa for the first time since 1998.

As a result, peace between Ethiopia and Eritrea is set to have a calming effect on the Horn. Stability in the region could transform it into a united economic powerhouse. The hard work starts now, as both governments look forward towards economic cooperation and development.

Emphasizing both countries' long-standing common history, both governments will work to strengthen economic partnership between the two countries and to contribute to regional peace and prosperity.

Moving forward, the emphasis will be on creating a modern, technologically advanced, and internationally competitive economy by way of improving agricultural productivity and establishing export-oriented industries as well as vibrant financial and tourism sectors. Both will work towards facilitating private investment in all sectors of their economy while pursuing sound financial policies.

Operationally, cooperation between the two governments conveys the idea of voluntary collective actions. The concept of cooperation refers to the implementation of intergovernmental institutions. In this sense, economic, political, and institutional cooperation will be vital in order to successfully pool together resources and efforts for the achievement of their goals.

In an interview, the former Prime Minister of Ethiopia Mr. Hailemariam Desalegn stated that both countries are endowed with comparative and competitive advantages. Knowing this,

they must work together in identifying these advantages by pooling experts from both countries. In doing so, both governments will first work towards tackling inflation, reducing the cost of goods, and working to augment the needs of the population and sustain the market price volatility of goods and services.

Given that the transportation sector is a strong factor in terms of economic and regional balanced development, the former Prime Minister also noted the development of a well-linked transportation system between the two countries will be pivotal in achieving economic development; this will in return help the facilitation of free movement of people between the two countries.

As a result, Ethiopian Airlines resumed flights to Eritrea on the 18th of July, its flight to Asmara being the first in over 20 years.

“It is a joy to see Eritreans and Ethiopians come together once again”, said Mr. Tewolde Gebremariam General Manager of Ethiopian Airlines.

It is time to move on and work as one towards the realization of economic, trade, investment and tourism development between the two countries with an outlook towards reaching the international market, he added, while hoping the airline to play a broader role in helping the two countries connect not just on social levels but also economic.

Speaking at the official ceremony held in connection with the flight resumption of the Ethiopian Airlines Mr. Osman Saleh, Eritrean Minister of Foreign, Affairs stated the resumption of the airlines will usher a new era of friendship and cooperation between the countries.

Free movement of people between the two countries will be beneficial. For example, it will enhance business and investment. Cross-border trade will increase as free movement of labor and capital boosts economic activity.

In terms of investment, understanding the importance of foreign direct investment to sustainable development and economic growth, both sides have to cooperate in enhancing investment flows and in developing an investor-supportive environment through joint efforts such as: industrial linkages promotion, networking, information sharing and human capacity building development.

The Joint Declaration of Friendship and Cooperation signed between the two governments will also see the two countries engage in trade. As a result, of duty-free and low-tariff imports, consumers in each country will have more choices of goods and services at lower prices. Imports may also encourage domestic producers in innovation and technological advancements, especially those who face competition from these imports, resulting in economy-wide benefits.

As cooperation between the two nations strengthens, the use of ports in the region will result in a higher output of goods and passengers in the region, paving the way to the development of more infrastructure and associated services. These, in turn, will bring varying degrees of benefits to the economy and to the region.

Ports are also important for the support of economic activities in the hinterland since they act as a crucial connection between sea and land transport. As a supplier of jobs, ports do not only serve an economic but also a social function. In terms of loads carried, seaway transportation is the cheapest and most efficient transportation system compared to other systems. Industries require a safe and cheap means of exporting finished goods and importing raw materials. Hence, the majority of industries in the world are located in the coastal belts, in the vicinity of major ports. These industries, in turn, influence the lives of the employees and other indirect benefactors.

In the long run cooperation between the countries of the horn will aim at sharing a commitment to regional cooperation as a means of fostering regional stability, building prosperity, and addressing regional challenges.

The recent state visits by President Isaias Afwerki to Saudi Arabia and UAE are a further indication that regional cooperation will not be confined to the horn but will also include countries on the other side of the Red Sea.

Subsequent visit by Somalia's President Mohamed Abdullahi Mohamed to Eritrea, and the signing of the Joint Declaration of Brotherly Relations and Comprehensive Cooperation between the two governments this week and Dr. Abiy Ahmed's prior visits to Egypt and Somalia are also signs that point towards an all-inclusive, holistic approach taken by Eritrea and Ethiopia that peace and stability in the region can only be achieved if all countries in the region spearhead the agenda together.

Thus a stronger Eritrea, Ethiopia, Somalia, Egypt, Djibouti, Sudan and South Sudan will pay dividends in achieving sustained economic growth, trade, and prosperity needed throughout the region.

UAE to Build Oil Pipeline Linking Eritrea's Port of Assab with Addis Ababa

TESFANEWS AUGUST 10, 2018 |

UAE's Minister of State for International Cooperation, Ms. Reem Al Hashimy, today unveils her country's plan to build a pipeline linking Eritrea's port city of Assab with Addis Ababa.

BY FBC

Ethiopia and the United Arab Emirates (UAE) have agreed to build an oil pipeline linking Eritrea's port city of Assab with Addis Ababa.

This was revealed today during a meeting between Prime Minister Dr. Abiy Ahmed and Reem Al Hashimy, UAE's Minister of State for International Cooperation.

During the meeting, the two sides also discussed ways to implement previously concluded investment agreements, which among others, include the development of real estate and resorts.

The two countries also agreed to conduct a study to build an oil pipeline linking the port of Assab with Ethiopia.



After the discussion, Reem Al Hashimy told *Fana Broadcasting Corporation (FBC)* that the UAE is keen to exploit the investment opportunities available in Ethiopia.

The peace deal reached between Ethiopia and Eritrea is a good opportunity for the UAE to invest in Ethiopia, she added.

Eritrea President Invited to Visit Ethiopia's Amhara Region

TESFANEWS AUGUST 17, 2018

President Isaias is due to return to Ethiopia, this time, for an official visit to the Amhara region. Why the Amhara region? Let me guess: Eritrea was the only country to host and support the Amhara people's struggle for freedom and democracy. It appears that the Amhara regional leaders, who are preparing to welcome the return of Arbegnoch Ginbot 7 (AG7) freedom fighters in a weeks time, would like the honor of his presence either in the celebration or in his honor to pay their utmost gratitude.

BY NIZAR MANEK | [BLOOMBERG](#)

Eritrean President Isaias Afwerki will make his second trip to Ethiopia since the Horn of Africa nations declared peace in July, amid signs that Ethiopian rebels previously designated as terrorists will return home unarmed to participate in politics.

Plans for Isaias' visit were relayed by Nigus Tilahun, the chief of communications for Ethiopia's Amhara regional state, who didn't give a date.

The announcement comes after Amhara authorities signed a reconciliation agreement with the rebel Amhara Democratic Forces Movement this week in Eritrea, allowing the group to pursue political activities in Ethiopia after they disarm, Nigus said in a statement.



@hawelti : Representatives of the Amhara Region and the Amhara Democratic Forces Movement, (ADFM), signed a Reconciliation Agreement in Asmara today. The Agreement provides for the ADFM to pursue its political activities in Ethiopia through peaceful means.

It's the latest step in a rapid rapprochement between Ethiopia and Eritrea, who had been at odds since a 1998-2000 war that claimed as many as 100,000 lives and have each harbored rebels hostile to their neighbor.

Ethiopia's new prime minister, Abiy Ahmed, has backed a ruling politburo vow to establish multi-party democracy at home and in July made a historic visit to Eritrea in which the nations agreed on restoring diplomatic, telecommunications and transport links.

The Amhara agreement comes after talks in Eritrea last week between the Ethiopian government, Oromia regional state officials and the rebel Oromo Liberation Front on the latter operating freely in Ethiopia as an opposition party.

OLF delegates arrived Tuesday in Ethiopia and will discuss unspecified issues on a newly formed committee with the government, the group said on its Facebook page.

Eritrean Information Minister Yemane Gebremeskel has said the return home of Eritrea-based Ethiopian opposition groups is linked to a five-point peace declaration between the two countries.

The agreement also means that Ethiopia shouldn't host Eritrean opposition groups, he said. "Under normal conditions of peace, if we have security agreements, the corollary is that one country would not host opposition elements of another country," Yemane said late July in the capital, Asmara.

Eritrea's government hasn't offered to hold talks with Eritrean opposition groups based in Ethiopia. It isn't "an issue at all for the people of this country," presidential adviser Yemane Gebreab said earlier this month.

"We're focusing on creating the grounds here whereby all citizens can enjoy their rights."

Ethiopia-Eritrea Relation: From Where to Where?

TESFANEWS SEPTEMBER 2, 2018

BY TARIKU DEBRETSION | SATENAW NEWS

The euphoric jubilation in the streets of Asmara and Addis Ababa that we have witnessed in the last few weeks is the Eritrean and Ethiopian peoples' affirmation and celebration of the peace overtures made by PM Abiy.

The stoic Ethiopian and Eritrean people, young and old, men and women, dancing and singing unabashedly in the streets and public spaces are expressing their strong longing for peaceful and fraternal relations—a longing which they have not been able to express in public for the last 20 years. It is a genuine endorsement of the commitment of the two leaders to lead them out of the quagmire.

Abiy rose up from the mass upheaval of the Ethiopian youth struggle against TPLF/EPRDF dominated corruption, political machinations, disintegration and hopelessness to lead a peaceful yet fundamental revolution.

Isaias represents the indomitable spirit of the Eritrean struggle for liberation, still standing against all odds.

Within a few weeks, in a miraculous shift, despair and pessimism have given way to hope. This hope found articulation in a rising young political maverick, Ethiopia's new prime minister, Dr. Abiy Ahmed. His message of peace and unity, *medemer*, has swept Ethiopian and Eritrean communities at home and in the diaspora.



Peace and Fraternity to the people of Ethiopia and Eritrea.

The swift actions taken by both sides to normalize relations after two decades of the no-war-no-peace regime has created an emotional human drama: the celebrations welcoming PM Abiy to Asmara and President Isaias to Addis, long separated family members dancing in tears on the tarmacs of airports, and even people calling random numbers across the border to express love and goodwill.

The scene has mesmerized even the international media and the international public at large which is used to seeing frequent atrocities in this region. What just a few weeks ago seemed like an insurmountable wall of hate and acrimony between Eritrea and Ethiopia has dissipated as if it had been a mirage.

Yet despite the overflow of joy, we should not forget the bitter cost paid during the twenty long years it took us to get here. Nor should we forget that this is only the beginning of a long hard journey. To see through the fog into a brighter future we must re-examine our path through our dark history with contrition. As Maya Angelou said, *"History, despite its wrenching pain, cannot be unlived, but if faced with courage, need not be lived again."*

The Horn of Africa is one of the most conflict-ridden regions in the world. The Ethio-Eritrea conflict that has continued unabated for three-quarter of a century, bleeds directly or indirectly into all the violent intrastate and interstate conflicts raging across the Horn of Africa.

The thirty-year devastating war for independence [1960 – 1991], the 1998 -2000 border war and the eighteen years of "no-war no-peace" that has succeeded it have been the inexhaustible fuel that has been feeding the inferno consuming this region. The cost of this conflict is mind-numbing. Hundreds of thousands have died. Millions have been forced into abject refugee life. Villages have been razed to the ground, fragile ecosystem scorched, farmlands strewn by landmines rendered uncultivable, infrastructures deliberately destroyed. Billions of dollars have been spent in military endeavors while the people die en masse from famine and suffer

from lack of basic human necessities. Pulled by this conflict into an abyss, both states are at the bottom of the ladder in social, political and economic development scales.

TPLF is the main architect of the sinister “no-war no-peace” regime

Meles and his compadres were skillful tacticians but unfortunately poor strategists. This is not due to lack of intelligence but rather to their tenuous hold on state power in Ethiopia. A political faction which hailed from a marginalized ethnic minority, which had been playing second fiddle to EPLF for the most part of its existence, was suddenly catapulted to a dominant position in the Ethiopian state. They consolidated their chokehold on the Ethiopian state with the departure of Eritrea and the EPLF.

The TPLF inherited the bounty of the Ethiopian empire, while EPLF had to deal with a war-torn weary state. The former comrades in arms turned into deadly rivals. The US cast the deciding vote when it picked TPLF as its strategic ally in the Horn of Africa.

Once EPLF departed, the interparty rivalry turned into an intraparty duel between the Meles Zenawi faction and the Seye Abraha and Gebru Assrat faction. Seye and Gebru’s faction hoped to catapult themselves into dominance by waving the banner of defending Ethiopia’s sovereignty against alleged Eritrean domination and rallying the “*Greater Ethiopia nationalists*” who were deeply saddened by Eritrea’s succession and the loss of Massawa and Assab ports.

Gebru in his book dubiously titled “*Sovereignty and Democracy*” self-flagellated for supposedly being misled and indoctrinated into denying the “true history of Ethiopia and Eritrea.” This is notwithstanding that he had been one of the founders of TPLF and a senior member of the central committee and had fought side by side with the ELF in support of Eritrea’s independence. Gebru’s numerous speeches and writings epitomize the deep-rooted legacy of political deception of TPLF and the essence of its divide and rule policy in both provoking the war and playing the victim.

EPLF arrogantly took the bait when it responded by sending its armed forces to the conflict zone to confront the TPLF militias. The wounded Ethiopian national pride roared to life. Gebru and Seye reached the apex of political power while the lives of a million poor Ethiopians and Eritreans was turned upside down.

A journalist characterized the war as “two bold men fighting over a comb.” The Amharic saying “*kit gelbo ras tkenanbo*” (“Bearing your ass to cover your head”) expresses even better the idiocy of two states who could not feed their people recklessly expend so much on a war to defend national pride.

When dreams of easy military victory dissipated and the realization of unsustainable losses on both sides set in, the war crept into a stalemate. The two states were cajoled by the international community into resolving their violent conflict through binding arbitration.

On December 12, 2000, Eritrea and Ethiopia signed the Algiers Peace Agreement. The Agreement mandated an Eritrea-Ethiopia Boundary Commission (EEBC) to delimit and demarcate

the border “based on pertinent colonial treaties (1900, 1902, and 1908) and applicable international law.”

On April 13, 2002, The Eritrea – Ethiopia Boundary Commission in a 135-page unanimous ruling, rendered its “final and binding” delimitation decision. Within hours, Ethiopia accepted the ruling, declaring it “fair and appropriate,” hoping Eritrea would not accept and hence stand out as intransigent. But Eritrea fully accepted the Ruling and demanded its implementation. A month later the TPLF regime reversed its position and reneged on its obligation.

If Ethiopia had accepted and implemented this ruling at that time, today instead of talking about boundary demarcation, we would have been talking about more fundamental political and economic integrations between the two states.

If military victory had been attainable, Gebru and Seye, the main drivers of the war, would have remained at the helm and Meles would have been in exile or worse eliminated. The Stalemate in the savagely fought war enabled Melese Zenawi to bounce back into power while Seye and Gebru faction was purged from TPLF.

Melese Instead of taking the Algiers’s accord to peacefully resolve this abominable war chose to continue it under the “no-war no-peace” regime. The underpinning of Meles’ “no-war no-peace” regime was based on the calculation that, since military victory is unattainable, he would ignore the agreement and continue with a tense military standoff without direct engagement.

Ethiopia, with a hundred million population and larger resources, would be able to withstand the cost of indefinite military mobilization, while Eritrea, with a five million population and war-torn economy, would crumble. To that end, he reneged on the ruling by setting conditions which would practically annul the Algiers Agreement, hence, the “no-peace no-war” regime came into de-facto existence.

Meles’s calculations failed to take into consideration the two most important factors: the determination of the Eritrean people to persevere hardship, to preserve their hard-fought independence and the burden of underdevelopment, poverty and political vulnerabilities protracted military mobilization would create on Ethiopia.

Though the UN, AU and the US were guarantors to the Algiers Agreement, they were either unwilling or unable to put pressure on Ethiopia to honor the legal and binding ruling. To make matters worse, the US and Eritrea became at a loggerhead because Eritrea would not bend to US policy in the region. Meles scored a tactical victory over Isaias. Ethiopia gained military and economic advantages as the US’s strategic ally, while Eritrea suffered isolation, sanctions, and economic hardships.

However, both sides lost because the “no-war no-peace” policy made the rift between these fraternal peoples much wider and deeper and it arrested social economic and political development the people on both sides direly needed.

The rise of amazing consensus in support of the peace overture

TPLF's chokehold on the Ethiopian state's apparatus has been shattered by the popular mass uprising that has swept the country in the last three years. Team Abiy/Lema of OPDO became the dominant group in the EPRDF coalition. As a result, one of the main pillars of the TPLF's policies—"no war no peace"—is being replaced by a new initiative for peace.

On June 13, 2018, EPRDF Executive Committee under Dr. Abiy voted 27 to 0 to accept the Algiers Peace Accord and implement the EEBC ruling "without preconditions" – 16 years after the adjudication. Dr. Abiy's passionate speeches extolling peace, love, and reconciliation has fired the long-subdued spirit of the people on both sides of the border.

Two weeks later, President Isaias came out in strong support of Dr. Abiy's initiative. Amazingly he declared that he would send a peace delegation to Addis Ababa. For the two regimes, world-renowned for their stubbornness and belligerence, to be willing to deal directly with each other without an intermediary is a sea of change. Both regimes have come to realize that their future existence as states depends on resolving their intractable conflicts peacefully and legally. Abiy's initiative and Isaias's unprecedented response resonates with the will and aspiration of both Eritrean and Ethiopian people to live side by side peacefully and fraternally.

Meanwhile, TPLF is hopelessly replaying its old tired game of political deception and divide to rule. Instead of endorsing this peace initiative and being part of the reconciliation, it is trying to derail it. In its hastily assembled central committee meeting of the TPLF held in Mekele a few days after the EPRDF EC declaration, it came out with a dubious statement.

On the one hand, it declared support for the EPRDF EC decision, while on the other hand, it condemned it for being hasty and lacking consultation. This despite the fact that TPLF is fully represented in the EPRDF EC and its representatives voted for the resolution. This is the usual two-faced political maneuver that TPLF pulls whenever it is in crisis.

The Ethiopian oppositions groups have wholeheartedly endorsed Abiy's call. The only exceptions are some diehard nationalists who are pushing to reclaim Assab by force or/and political pressure. They reject the peace overture because they fear accepting the Algiers Agreement legitimizes the existing boundary. For many of these individuals, even after twenty-seven years, accepting Eritrea as an independent state is hard to swallow. Proponents of this line used to be a dominant faction of the opposition, particularly in the diaspora, however, its ranks have withered away.

Most people realize that it is not lack of ports, rather it is the lack of peace and good governance which is the existential threat to Ethiopia. The Ethiopia and Eritrea border has been resolved according to international law. Assab and Massawa should no longer be a cause of endless devastating conflict. Instead, they should be economic focal points that bring together the two countries in a prosperous and enduring economic alliance.

On the Eritrean side, supporters and opponents of the regime alike, the support for the peace overture is unanimous. However, ambiguity prevails on the side of highly fractured opposition because some fear that peace would strengthen Isaias's rule. This is a rather circular argument

because it was the state of war which have been used as grounds to curtail civil liberty in Eritrea. The Eritrean people have persevered through economic hardship and tolerated deferment of their emancipation to preserve their hard-won independence. It is one of the main reasons why the opposition organizations failed to gain a meaningful following in the country.

The Eritrean opposition, which is obsessed about splitting into factions on major and minor issues, should humble itself and learn the lesson that striving for unity, *medemer*, peace, and reconciliation is a potent force for change. Peace is not going to solve all the mindboggling problems that beset Eritrean and Ethiopian societies but it is a fundamental requisite.

Missed opportunities to peacefully and holistically resolve the Ethio-Eritrea conflict

- The 1952-1962 Federation presented Ethiopia with a great opportunity: outlets to the sea, Eritrea's modern infrastructure, and Eritrean skilled labor. For the fractured and contentious Eritrean elites, between dismemberment or outright annexation, the Federation was a palatable choice. Instead of transforming Ethiopia into a constitutional monarchy by using the Eritrean liberal democratic constitution as inspiration, Haile Selassie made the arrogant and short-sighted decision to revoke the federation and reduce Eritrea into a province in his feudal empire. This unleashed a strong Eritrean nationalist rebellion and consequently an armed struggle. His response, backed with US military largesse, was mass incarceration of Eritrean youth, torture, exile and elimination of the nascent Eritrean intelligentsia. When the rebellion progressed to full-fledged armed struggle, he responded with a scorched earth policy. The cost for Ethiopia and Eritrea in term of lost opportunities in economic, political and social development is staggering. The cost Emperor Haile Selassie had to pay for his hubris was an ignominious death in the uprising of which the Eritrean struggle was a very important factor.
- The 1974 Ethiopian uprising for economic democratic revolution was subverted by the derge's coup. The response of the fascistic derge to the Eritrean struggle was dumb, arrogant, inhumane and utterly devastating. Backed with an unprecedented degree of military aid and direct involvement of the defunct Soviet Union, it aspired to annihilate the Eritrean resistance once and for all. However, the end result was its own demise at the hands of EPLF and TPLF. Again, the economic devastation, political degeneration and institutional disintegration of a protracted war led to famine, human misery and suffering of biblical magnitude.
- The 1993 Eritreans in a United Nation sponsored referendum voted for their independence and Ethiopia magnanimously accepted. Eritrea became a full-fledged member state of AU and UN. It was a glorious moment. The wounds of Africa's longest armed conflict were healing fast. Peace dividends flourished. The prestige of the two counties and their leaders sky rocketed. The economic advantages of the people's mobility between the two states reached a high mark. But the fast pace of change and economic growth engendered a petty rivalry between the ascending power elites. The bright hope and promise of the reconstructing economies was sadly dashed when rivalry between the groups escalated to a savage senseless interstate war.
- The 1998 – 2000 border war. Although it lasted only two years, the psychological and economic devastation was greater than what had proceeded it. 100,000 Eritrean and Ethiopian youths were sacrificed, over two million people on both sides were dislocated, and infrastructure and farms and industries were deliberately destroyed.
- The 2000 – 2018 No peace no war regime. The last 18 years could be characterized as a period of paralysis, stagnation and disintegration of both states albeit to a different degree and consequence. The political and economic isolation of Eritrea spearheaded by the TPLF, with the aid of the US, was aimed at bringing down the EPLF regime. Until a few months ago, blog sites were

filled with self-fulfilling prophesies about the eminent collapse of Eritrea and the triumph of Ethiopia. The reality proved to the contrary. It is the PFDJ which is standing while TPLF's power base has collapsed dramatically.

- The 2018 Will Abye's peace overtures be another missed opportunity? Neither the two countries nor the region can afford another failure. Failure would be devastating. We count on the genuine mass support expressed unequivocally by the Ethiopians and Eritreans people in the last few weeks to be the guarantor for its success. In my long period of political involvement in this region, I have witnessed only a few periods of popular euphoria and unanimity of such magnitude.

Tigray is a bridge not a wedge between Ethiopia and Eritrea

The People of Tigray are the major victims of TPLF's divide and rule policy. It has put them at loggerheads with Eritreans to the north, the Amhara to the west and south and the Afar to the east. It is a deliberate policy, sometimes dubbed as "plan B," to make Tigray a perpetual bastion of TPLF.

The objective goal of this tactic is to make the Tigray people feel vulnerable, hence, the servile support base for TPLF. The Tigrayan intelligentsia should have been able to see through these shenanigans and exposed them long time ago. Yet sadly, particularly many in the diaspora, they are being manipulated to kowtow to this abominable policy in the name of Tigray nationalism and pride.

Who has suffered more from this long drawn out conflict than the poor Tigrayans and Eritreans? Which ethnicity or region has paid more in human sacrifice, suffered more dislocation than these hapless cousins? Whose fragile farmland has been ruined by tanks and infested with mines like theirs? Whose economic potential has been more arrested? Who lived for decades under the threat of calamitous war as they have? Shouldn't the border towns of Tigray and Eritrea be centers of thriving trade rather than sad military outposts? Who is to blame? What is to be gained? Why weren't the people of Tigray in the forefront petitioning their leaders to end the "no war no peace" regime? Even now TPLF is trying to mischaracterize this malaise as defending Tigrayan interests.

The current love fest between Ethiopia and Eritrea is the death knell to TPLF hegemony. It is a total rejection and repudiation of their divide and rule legacy. Their posturing as defenders of Ethiopia's sovereignty against hapless Eritrea and peacekeeper between the feuding ethnic groups of Ethiopia has been swept away by the popular tsunami that that has engulfed Ethiopia. The Ethio-Eritrea love train is the shining beacon of hope.

TPLF leadership instead of hopping on this love train of reconciliation and peace, are plotting to derail it. Their plans and tactics are a replay of the maneuvers that led to the 1998 border war—pretend to accept the peace process while throwing a monkey wrench into it. This time very few are duped.

The chameleon role being played by Dr. Debretsion, TPLF's party chairman, epitomizes this stance. In his June 22nd interview, he outlined the game plan which can be summarized as:

1. We accept the EPRDF executive committee stand to unconditionally accept and implement the Algiers resolution, yet we condemn it because it is done without consultation,

2. We call for an “extended” EPRDF meeting to discuss the matter with the hope of torpedoing the resolution by bringing more allies,
3. Bademe is Tigray’s issue, not a national issue, TPLF, as representative of the people of Tigray, should be the leading negotiator.
4. It is a border issue; no it is sovereignty issue,
5. TPLF accepts unconditionally the Algiers’s Agreement, no we stand by the repudiated ‘five points for renegotiation’.

Dr. Debretsion even went so far as saying that the Algiers Agreement is **“null and void”**. As for the party, TPLF started organizing demonstrations against the peace overtures and then made a 180-degree turn by organizing a big rally at Mekele Stadium allegedly, inter alia, to express support for peace with Eritrea. This flip-flopping simply reflects the pathetic situation the one-time master of deception TPLF finds itself in today.

For TPLF peace between Ethiopia and Eritrea is not about border issue or defending the interest of the people of Tigray, rather, it is about desperately hanging to power and convincing its shocked supporters that it is still relevant. Yet it is doing it the negative way. Instead of absolving itself from its predatory role in a truly substantive way, it has chosen to replay its failed tricks which don’t even impress its ardent supporters.

TPLF leadership is down but not out. They cannot ever dominate Ethiopia’s politics the way they did before, but they can surely play a disruptive role. Anyone who underestimates TPLF leadership does so at his own peril.

The main force that could effectively deal with TPLF is the people of Tigray. People of Tigray, the TPLF’s leadership policy of divide and rule is your liability. They have gained like bandits, which they are, but you are left with the liability. Their gain has come at a great loss to you today and your offspring tomorrow. It is time to see the reality with wide open eyes and take your place on the side of those who stand for lasting peace, justice and fraternity and work for the common good. Choose among your bright and honorable youth to represent you at this crucial juncture of history.

Likewise, the wholesale castigation by some Eritrean and Ethiopian elites of the Tigray population for the evils perpetrated by TPLF leadership policies and actions is wrong-headed as it creates an obstacle to unit all the stakeholders for peace.

Conclusion: The people of Ethiopia and Eritrea are the sole guarantors of lasting peace

I am seventy years old. I was born into Eritrean nationalism and matured in the Ethiopian struggle for social justice. I was born, grew, struggled and exiled in this tangled web of conflict. It has affected the whole of my life and most importantly my psyche. I am not an exception. My generation on both sides of the border is similarly affected. In a paper I presented to 5th Annual Ethiopian & Eritrean Friendship Forum Conference Presented by UCLA’s Habesha Student Association April 17th, 2013, I wrote. “The conflict between Eritrea and Ethiopia is mainly rooted in the common psyche of the power elites rather than the existence of objective irreconcilable differences. The elites of Ethiopia and Eritrea share a common psyche because they

share a common culture and tradition. The common psychic traits of the two power elite groups are hurt pride, beleaguered nationalism and zero-sum mentality.

Eritreans and Ethiopians are one people. Sadly, and paradoxically, their common history, culture and psyche, instead of being the foundation of their unity, have become an artificial barrier between them. Particularly Eritreans and Ethiopians in their late 50s and 60s, who are the main actors in this sad drama, are deeply scarred and traumatized by the development of this conflict. Like two chess players who follow the same strategy, they have cornered themselves into a stalemate.”

We are hypnotized by the allure of intrigue, brinkmanship and elusive victory. It is hard to find many examples in human history of people who have fought so ferociously and paid so dearly in life and social development for so little like Ethiopians and Eritreans. We have lost so much in war when we could have gained abundantly in peace.

I was resigned to dying without seeing the bright days of peace and harmony between these fraternal people. That is why I feel elated when I hear a call for peace from a much younger generation reverberate in these hapless conflict-ridden communities. It is humbling to witness such unanimity in our communities on such fundamental issues. The people have spoken loudly, clearly and unequivocally that they want to coexist in peace and fraternity, to strive and surmount all difficulties and obstacles together. They have rejected the divide and rule message of TPLF.

The first stage of demolition is finished. The second stage of constructive engagement are the big challenges ahead: demarcating the border, setting policies and laws to facilitate cooperation and sharing of resources. These matters have always been the domain of the intelligentsia and power elites, played out in boardrooms out of public sight. Would the power elites proscribe their parochial interest over the interests of the people? Would they obsess over their hidden agendas and dubious ideologies or follow the will and spirit of the people? There is a strong alignment of interests and aspirations between the people and their leaders at this moment as manifested in the streets and public meetings. It should be consolidated by widening the democratic platform, by cultivating transparency, by empowering people and making their interests and well-being paramount.

It is a rare historical opportunity when rival social and political forces align to foster peace and harmony, particularly in our region. The US has also shifted its wrong-headed policy, regional forces like Saudi Arabia and UEA are amazingly helping build bridges, leaders of both countries share kinetic energy to overhaul the reign of debilitating conflict and the people are impatient for the dawn of a new era. We should all unite, “endemere,” to augment this rare historical opportunity.

It is a universal fact that though political leaders initiate change, it takes a social force to make it real. We all must engage to make this spirit of love, peace and good will endure and flourish. We should stand to those forces who try to pull us back into the quagmire of the past. Particularly my message to my generation—the conflict generation—is this: we need to introspect and to meditate to bury the legacy of schizophrenia and xenophobia and support the new generation as it embarks on a brighter future. I hope the last years of my life will be spent

writing about the flourishing of peace, the unfolding of fraternity, the strong embrace of harmony and above all, writing about the triumph over poverty and human misery.

Peace and Fraternity to Ethiopian and Eritrean people!

Ethiopian Commercial ship arrives at Massawa Port



Massawa, 05 September 2018- Ethiopian Commercial ship “Mekele” that won the bid to transport zinc of Bisha Mining Company has arrived at Massawa Port today, 5 September.

The Commercial Ship has the capacity of loading 12 thousand tons and is expected to load and leave the port within 20 hours.

Following the peace and friendship agreement signed by the two countries, “Mekele” Commercial Ship is the first Ethiopian ship to dock at the Massawa port after 20 years.

Indicating that the Massawa port has been for many years accommodating ships of various sizes, Mr. Dawit Mengsteab, General Manager of the Eritrean Ports Authority, said that strong effort is being exerted to alleviate the shortcomings of the port and make it competitive port in the region.

<http://www.shabait.com/news/local-news/27000-ethiopian-commercial-ship-arrives-at-massawa-port>

"The implementation of the Joint Declaration of Peace and Friendship signed by Eritrea and Ethiopia New Year gift for the peoples of both countries"

Asmara, 05 September 2018. The Prime Minister of the Federal Democratic Republic of Ethiopia, Dr. Abiy Ahmed said that the implementation of the Joint Declaration of Peace and Friendship signed by Eritrea and Ethiopia is New Year gift for the peoples of both countries.



Prime Minister Dr. Abiy Ahmed arrived in the morning hours of today, 5 September, on stop over, two-day visit in Eritrea on his way back home from the Forum on China-Africa Cooperation Summit.

Upon arrival at the Assab Airport, Dr. Abiy and his delegation that comprised Dr. Werkneh Gebeyehu, Minister of Foreign Affairs, were accorded warm welcome by President Isaias Afwerki, senior government officials and Army Commanders.

President Isaias Afwerki and Prime Minister Dr. Abiy and his delegation visited the Assab Port and traveled by vehicles from Assab to the Ethiopian border town of Bure and confirmed that the road is in good condition.

Prime Minister Dr. Abiy Ahmed arrived in Massawa accompanied by President Isaias Afewerki and visited the port facilities and the Ethiopian Commercial Ship that docked in Massawa Port after 20 years. Speaking to the Eritrean national media outlets, Dr. Abiy said that he was able to observe that the Assab Port is under maintenance in order to provide full service and the Massawa Port ready for providing service to Ethiopia.

Dr. Abiy went on to say that the beginning of the Ethiopian Airlines regular flight coupled with the ongoing roads renovation to start land transportation service will have significant contribution in the strengthening of the relation between the two countries.

Dr. Abiy also said that the implementation of the all five pillars of the agreement is good news not only for the officials of both countries that have been engaged in the process but also for the international community and congratulated the peoples of both countries.

During his stay in Eritrea, Dr. Abiy Ahmed will hold extensive discussion with President Isaias on the implementation of the agreement signed between the two countries.

(shabait.com)

Ethiopian Prime Minister Visits Eritrean Ports of Assab and Massawa

TESFANEWS SEPTEMBER 5, 2018 |

“The implementation of the Joint Peace and Friendship Declaration between Eritrea and Ethiopia New Year gift for both countries”



BY SHABAIT

The Prime Minister of the Federal Republic of Ethiopia, Dr. Abiy Ahmed said that the implementation of the Joint Declaration of Peace and Friendship signed by Eritrea and Ethiopia is New Year gift for the peoples of both countries.

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Eritrea-Somalia

Somalia President in Eritrea for Landmark Visit

TESFANEWS JULY 28, 2018 |

Somali president has begun a three-day work visit to Eritrea



BY TEFANEWS

Somalia's President Mohammed Abdullahi Mohammed (Farmajo) arrives in Asmara at mid-day today for a three-day historic visit at the invitation of President Isaias Afwerki. Upon arrival at the Asmara International Airport, President Mohammed Abdullahi was accorded warm welcome by President Isaias Afwerki and senior Government and PFDJ officials. Thousands of Asmara residents also turned to the streets of the city to greet President Farmajo and his delegation. President Farmajo is the first President of Somalia to formally visit Eritrea.

Eritrea and Somalia have not had diplomatic ties for nearly 15 years but the visit is expected to open the doors for diplomatic relations and new cooperation between the two nations.

The Somali President was accompanied by his Minister of Information, Culture, and Tourism; Minister of Transport; Minister of Construction; as well as State Minister at Foreign Ministry.

"Somalia is ready to write a new chapter of its relations with Eritrea," Abdinur Mohamed, a spokesman for President Mohamed Abdullahi Mohamed, announced on Twitter.

During his stay in Asmara, President Mohammed Abdullahi will discuss with President Isaias Afwerki on the development of bilateral relations between the two countries and on regional issues of interest to both countries.

“President Mohammed Abdullahi will visit development sites during his brief sojourn in Eritrea,” Said Eritrea’s information minister, Yemane G.Meskel.

President Abdullahi Farmajo is the second East African leader to pay a visit to Eritrea following a stunning diplomatic thaw between Eritrea and Ethiopia after more than two decades.

Somalia, Eritrea Restore Diplomatic Ties

TESFANEWS JULY 29, 2018

BY ABDULAZIZ OSMAN | VOA NEWS

Somalia and Eritrean leaders agreed Saturday to resume their diplomatic ties and open embassies in their capitals. The decision was made during a summit in Asmara, Eritrea, where Somalia President Mohamed Abdullahi Farmajo began a historic three-day visit Saturday.

The two nations have not had diplomatic ties for nearly 15 years.

Speaking to VOA Somali, Somalia Information Minister Dahir Mohamed Geelle said, “You will see Eritrean and Somali ambassadors in both capitals very, very soon.”

He said the leaders also discussed regional security and changing relations among Horn of Africa countries.

The region is of importance to the wealthy nations just across the Gulf of Aden and the Red Sea, who are interested in a strategic foothold in East Africa through its very busy shipping lanes.

The leaders are scheduled to continue talks Sunday.

Stabilizing the Horn

Farmajo’s visit comes after longtime rivals Eritrea and Ethiopia restored diplomatic ties. The two nations have a long and complicated history, which has had a destabilizing influence on the Horn of Africa.

One point of contention has been Ethiopia’s military presence in Somalia. Backed by the West, the country’s military is supporting the Somali government fight against al-Shabab militants. Eritrea has criticized this intervention, claiming that Ethiopia’s presence in Somalia is doing more harm than good.

Ethiopia has accused Eritrea of supporting the terrorists. Over the years, this proxy war between the two countries has had the potential to spark a regional conflict.

The conflict between the two nations also spilled over into neighboring Djibouti. One of Ethiopia's main economic allies, Djibouti has been engaged in a war with Eritrea over a border area claimed by both countries.

Ultimately, the prospect of peace between Ethiopia and Eritrea may have a calming effect on the Horn.

If stability is achieved, Ethiopia, a country with an estimated population of over 100 million, could realize its potential as a regional economic and military power. This could, in turn, transform the region into a united economic powerhouse.

Speech by President Isaias Afwerki at State Banquet Hosted in Honor of Somali President

Your Excellency Mohammed Abdullahi Mohammed
President of the Federal Democratic Republic of Somalia,

Distinguished Guests,
Ladies and Gentlemen,

I feel immense joy as I welcome – on behalf of the people and government of Eritrea – you, Mr. President, and your distinguished delegation to your home.

The historical ties between the peoples of Eritrea and Somalia are intertwined with the civilizations that flourished in the Horn of Africa; the southern part of the Arabian Peninsula; and, North Africa prior to the advent of Western colonialism in the region. Furthermore and after the onset of Western colonialism, the interaction and bondage of friendship and solidarity of our two peoples were reinforced through various phases and forms of resistance to domination.

In the Cold war period that ensued after decolonization, the solid ties between our two peoples reached its zenith to become the closest special relationship in the Horn of Africa. We are proud of this history. The respect of the people of Eritrea to the brotherly peoples of Somalia is indeed anchored on this profound historical appreciation.

Dear Mr. President,

Distinguished Delegates,

We have learned a lot from the obstacles that were woven in the past decades after the end of the Cold War, as we all embarked – i.e. Somalia, Ethiopia, Eritrea and the Sudan – in earnestness on the path of nation-building and when it was deemed that there was conducive climate for strategic regional integration.

Cohesive nation building was eclipsed by ethnic and clan cleavages, and destruction; ... economic development and prosperity were replaced by the scourges of poverty and hunger spurred by external pillage and internal thievery; ... consolidation of independent and sovereign governments and institutions suffocated by micromanagement of anarchy through UN agencies and NGOs;... regional partnership and harmony supplanted by intractable border crises and strife; regional peace and stability based on internal resources and capabilities undermined by spiraling crises under the rubric of “peacekeeping” etc. The list is long.

Under these bleak realities, interventionist and expansionist regional agendas in the name of religion; cultural intoxication under various extremist ideologies; terrorism; piracy; human trafficking, as well as trade in weapons and narcotics became the New Normal or “business as usual”.

This New Normal continues to be peddled and propagated, day-in and day out, through media outlets of lies and mendacity. The perplexing developments of the past quarter-century, which essentially stemmed from the misguided policies of powerful countries, would not have materialized without the harmful role and complicity of domestic surrogates.

But this epoch of crises, conflict, and instability is not inherently sustainable. As such, it is nearing its end. We are indeed entering a new, transitional, phase.

The people of Eritrea have demonstrated exceptional resilience to challenge and frustrate all forms of subversion directed at them. They have prevailed in spite of the transgressions and pressures to which they were subjected without let-up.

The people of Ethiopia have triumphed over the politics of ethnic polarization and foreign subservience. They are marching forward at a rapid pace for the crystallization and consolidation of a correct national and regional policy framework.

There is no doubt whatsoever that the people of Somalia will, as ever, be fellow travelers with the peoples of Ethiopia and Eritrea.

Dear Mr. President,

Let me re-affirm again my conviction on the decisive contribution of the Somali people in the crystallization of the lofty project that we are jointly working for.

In this respect, I wish you the best of success in your serious endeavors to overcome all obstacles and promote all-rounded bilateral and regional partnership in the economic and security fields.

I thank you.

Eritrea, Somalia Signed Joint Declaration on Relations

TESFANEWS JULY 30, 2018

BY SHABAIT

President Isaias Afwerki of Eritrea and President Mohamed Abdullahi Mohamed of Somalia today signed a “joint declaration on brotherly relations” agreement to establish diplomatic ties and exchange ambassadors. The declaration came just three weeks after Ethiopia and Eritrea declared an end to two decades of conflict, rapidly restoring diplomatic ties and flights between their capitals.

President Mohamed arrived in Asmara on Saturday (28) for a three-day visit.

Here below is the full text of the joint declaration.

Eritrea-Somalia Joint Declaration On Brotherly Relations and Comprehensive Cooperation

Cognizant of the deep bonds of friendship between the peoples of Eritrea and Somalia; Recalling that the peoples of Somalia and Eritrea have consistently evinced solidarity and provided support to each other’s aspirations for freedom, independence, and progress;

Determined to build on their historical brotherly relations and mutual solidarity to forge a partnership that benefits the two nations and the region;

The Governments of Eritrea and Somalia have reached the following points of agreement:

1. Somalia is endowed with a strategic location and vast human and natural resources. However, it has been hampered in realizing its potential due to internal problems and external intervention. Thus, Eritrea strongly supports the political independence, sovereignty and territorial integrity of Somalia as well as the efforts of the people and government of Somalia to restore the country’s rightful stature and achieve the lofty aspirations of its people.
2. Somalia and Eritrea will endeavor to forge intimate political, economic, social, cultural as well as defense and security cooperation.
3. The two countries will establish diplomatic relations and exchange ambassadors, promote bilateral trade and investment, as well as educational and cultural exchanges.
4. Eritrea and Somalia will work in unison to foster regional peace, stability, and economic integration.

Done at Asmara on July 30, 2018

For the State of Eritrea
President Isaias Afwerki

For the Federal Republic of Somalia
President Mohamed Abdullahi Mohamed

Eritrea-Djibouti

Eritrea, Djibouti agree to normalize diplomatic relations

By Elias Meseret

7 September 2018

ADDIS ABABA, Ethiopia (AP) — Neighbors Eritrea and Djibouti have agreed to normalize relations after a decade of diplomatic stalemate in the latest thaw between countries in the strategic Horn of Africa region.

Ethiopia's foreign minister, Workneh Gebeyehu, called the decision "a historic diplomatic achievement" in a Facebook post. The announcement came after an Ethiopia-led mediation effort.

"(Djibouti's) President Omar Guelleh stated that Djibouti is ready for reconciliation," Eritrea's information minister, Yemane Gebremeskel, said on Twitter.

Eritrea, one of the world's most closed-off nations, and Djibouti have a border dispute extending back to 2008. Eritrea long accused Ethiopia of supporting Djibouti in the dispute.

Between 2010 and 2017 Qatar attempted to mediate a settlement but that effort failed, and Qatar in June 2017 withdrew its 450 peacekeeping troops from the border. Djibouti accused Eritrean troops of occupying the Dumeira mountain area shortly after the peacekeepers left.

In July, Djibouti's U.N. ambassador asked the U.N. secretary-general to work with the Security Council to bring his tiny Red Sea port nation and Eritrea together "with the aim of facilitating an agreement."

The ambassador noted that the council imposed sanctions on Eritrea in 2009 "because of its aggression against Djibouti and its refusal to withdraw its troops from the disputed area, and its rejection of all efforts aimed at mediating between the two parties."

Eritrea has sought the lifting of those sanctions while pointing to the region's latest diplomatic shifts. It has denied supporting the Somalia-based al-Shabab extremist group, another reason cited for the sanctions.

The Horn of Africa region has seen a number of diplomatic thaws since Ethiopia's reformist new Prime Minister Abiy Ahmed in June fully accepted a peace deal that ended a 1998-2000 border war with Eritrea that killed tens of thousands. Restored diplomatic ties quickly followed.

Eritrea and Somalia in late July agreed to restore diplomatic ties, while Somalia's leader called for sanctions on Eritrea to be removed.

(The Africa Report)

Eritrea and Djibouti Agree to Normalize Relations

TESFANEWS SEPTEMBER 6, 2018 |

“This is the season for peace in the Horn of Africa and this peace should be inclusive to all” – FM Osman Saleh



Eritrea and Djibouti have agreed to normalize ties following a new initiative that was taken by a Joint High-Level Committee established by Eritrea, Ethiopia, and Somalia at the Tripartite Summit in Asmara.

BY **REUTERS**

Eritrea and Djibouti have agreed to normalize ties a decade after a border dispute led to brief military clashes, officials said on Thursday after a regional summit.

Fighting erupted along the disputed Dumeira area after Djibouti accused Asmara of sending troops across the border. The Red Sea neighbours have been at odds ever since.

“After a long period of separation, Eritrea and Djibouti have agreed to restore ties,” Ethiopia’s Foreign Minister Workneh Gebeyehu said on his Facebook page.

He spoke after delegations from Ethiopia, Somalia and Eritrea met in Djibouti, where they also held discussions with President Ismail Guelleh.

On Twitter, Eritrea’s Information Minister Yemane Gebremeskal said Guelleh told the ministers: “Djibouti is ready for reconciliation and formalization of its ties with Eritrea.”

The rapprochement follows the dramatic thaw in relations between Ethiopia and Eritrea, which declared an end to their state of war in July and agreed to open embassies, develop ports and resume flights between the two countries after decades of hostilities.

Eritrea has been subjected to a U.N. arms embargo since 2009 over allegations that it provided support to militants in Somalia and for failing to pull troops out of disputed territory with Djibouti. Asmara denies accusations it backed Somali insurgents.

Djibouti's Foreign Minister Mahmoud Ali Youssouf said: "With the truthful willingness demonstrated by Eritrea and Djibouti to make peace, all other pending issues will find their way to resolution."

Eritrea-South Sudan

Tigray may get as well an oil pipeline

20 August 2018 (Eritrean Press) Eritrean President Isaias Afewerki discussed with the President of the Republic of South Sudan, General Salva Kiir on building a new pipeline from the port of Massawa via Tigray, Ethiopia to South Sudan.

The Eritrean leader also gave Salva Kiir the option of extending the UAE planned Assab-Addis Ababa oil pipeline to South Sudan.

<https://www.facebook.com/EritreanPress/videos/519403925150360/>

Joint Declaration on Comprehensive Cooperation Between Ethiopia, Somalia and Eritrea

Considering that the peoples of Ethiopia, Somalia and Eritrea share close ties of geography, history, culture and religion as well as vital common interests;

Respecting each other's independence, sovereignty, and territorial integrity;

Desiring to bolster their historical ties to achieve their lofty objectives;

The Governments of Ethiopia, Somalia and Eritrea have reached the following agreement that reflects the aspirations of their peoples:

1. The three countries shall foster comprehensive cooperation that advances the goals of their peoples.
2. The three countries shall build close political, economic, social, cultural and security ties.
3. The three countries shall work in coordination to promote regional peace and security.
4. The three governments hereby establish a Joint High-Level Committee to coordinate their efforts in the framework of this Joint Declaration.

Done in Asmara, September 5, 2018

For the Federal Democratic Republic of Ethiopia: Prime Minister Abiy Ahmed

For the Federal Republic of Somalia: President Mohamed Abdullahi Mohamed

For the State of Eritrea: President Isaias Afwerki

(Shabait.com)

Ethiopia

Ethiopia and Oromo Rebels Sign Eritrea Backed Peace Deal

TESFANEWS AUGUST 7, 2018

BY TEFANEWS

Eritrea brokered peace and reconciliation agreement signed in Asmara today between the government of Ethiopia and the Oromo Liberation Front (OLF).

The deal reached between President of the Oromia Region Lemma Megersa and OLF Chairman Dawd Ibsa provides for termination of hostilities.

Ethiopian Foreign Minister Dr. Workneh Gebeyehu was present in the meeting.

The government has now signed a reconciliation agreement to end hostilities with the OLF's exiled leader, Dawud Ibsa, who based in Asmara, said Eritrea's Information Minister Yemane Gebremeskel.

"The agreement further states that ... the OLF will conduct its political activities in Ethiopia through peaceful means, besides agreeing to establish a joint committee to implement the agreement," he said on Twitter.

The deal appeared to be a boost for Prime Minister Abiy Ahmed, who is also an Oromo, for his reform agenda and improving the country's security.

The OLF group declared a unilateral ceasefire last month after parliament removed it from a list of banned terrorist groups that it had been part of since 2008.

Since the 1970s, the OLF rebels have fought a low-level insurgency for self-determination for the Oromia region, which is Ethiopia's largest and home to the Oromo ethnic group.

Now that the Eritrean government has normalized its relations with the new Ethiopian government led by PM Abiy Ahmed, it started to guarantee the safe return of all Eritrea based Ethiopian rebel groups back to their country and be part of the ongoing reform and democratic change.

Patriotic Ginot 7 (PG7), another prominent armed opposition group led by Prof. Birhanu Nega, have already met PM Abiy in Washington D.C. last week and announced to return back to Ethiopia by September.

ARS and ADFM sign reconciliation agreement

Asmara, 16 August 2018. The Amhara Regional State and Amhara Democratic Forces Movement have signed reconciliation agreement today 16 August in Asmara.

According to the agreement the Amhara Democratic Forces Movement will conduct its political activities in Ethiopia through peaceful means.

At a press conference Mr. Neguse Tilahun, Head of Communications of the Amhara Regional State said that extensive discussion has been made with the Amhara Democratic Forces Movement on the implementation of the agreement, and that they have agreed to work for the benefit of the Amhara people in particular and that of the Ethiopian people in general.

Mr. Neguse also expressed appreciation to the effort the Eritrean Government demonstrated in the success of the agreement.

The Chairman of the Amhara Democratic Forces Movement , Mr. Teferi Kassahun on his part indicated that the movement has been struggling for the change that is currently prevailing in Ethiopia.

(shabait.com)

Ethiopia and TPDM Rebels Sign Peace Deal

TESFANEWS AUGUST 28, 2018



Representatives of the Ethiopian Government and the Tigray People's Democratic Movement (TPDM) signed Reconciliation Meeting agreement in Asmara.

BY **SHABAIT**

The Tigray People's Democratic Movement (TPDM) has reached an agreement with the government of the Federal Democratic Republic of Ethiopia to continue its movement through peaceful means.

The meeting of the two sides held today, 28 August, in Asmara was attended by an Ethiopian government delegation headed by General Adem Mohammed, Director of the Ethiopian National Intelligence and Security Agency and the Chairman of the TPDM, Mr. Mekonen Tesfai.

According to the agreement reached, the Tigray People's Democratic Movement, recognizing the prevailing changes in Ethiopia, will conduct its political activities in Ethiopia through peaceful means.

A delegation from the TPDM will also travel to Ethiopia to discuss the implementation of the agreement.

Noting that the TPDM has been struggling for the change that is currently prevailing in Ethiopia, Mr. Mekonnen Tesfai said that further discussion will be conducted in Addis Ababa.

Member of the delegation of the Federal Democratic Republic of Ethiopia, Mr. Tefera Deribew, indicated that encouraged by the current development in Ethiopia, several opposition organizations have decided to continue their political activities through peaceful means inside the country.

He also noted that the meeting with the Tigray People's Democratic Movement was a success.

Ethiopia's Military-Linked Firm METEC Ousted from Dam Project

TESFANEWS AUGUST 28, 2018

BY **TESFANEWS** *

The Ethiopian government has terminated its contract with Metals and Engineering Corporation (METEC) company, which is run by its military under the Ministry of Defence, from building the controversial \$4 billion dam project on the River Nile due to numerous delays in completing the project.

Prime Minister Abiy Ahmed accused this military-linked company of lacking the relevant experience to work on the Grand Renaissance Dam project, which is mainly being built by an Italian firm Salini Impregilo.

METEC was the designated contractor for the electromechanical and hydraulic steel structure divisions of the project.

PM Abiy, however, said METEC had not even seen a piece of infrastructure like the Grand Renaissance Dam, let alone built one.

The move against a firm which for years was run by retired military personnel is another sign that Mr. Abiy is not afraid to shake up the status quo with radical reforms.

The military has long been involved in Ethiopia's tightly controlled economy but the prime minister is changing that.



The multi-billion dollar controversial project has been dogged by disputes and delays.

He has already replaced members of the METEC board and several of its industrial contracts have been cancelled, including sugar factory.

The government has touted the 6,000-megawatt dam project, which is 60 percent finished, as a symbol of its economic reforms.

“It is a project that was supposed to be completed within five years, but seven or eight years later not a single turbine is operational,” Abiy said during a news conference in Addis Ababa on Saturday.

“Salini has even demanded compensation because of the delays. We decided to cancel a contract with METEC and offer companies with experience. Otherwise, it will take even longer,” he said.

The previous TPLF-led government had said the dam would be completed within two years, but recently PM Abiy said it may not be finished in a decade.

Breaking the Stalemate in the Egypt-Ethiopia Dam Dispute

TESFANEWS SEPTEMBER 1, 2018



Cairo needs Washington's help to avoid a drastic, potentially destabilizing water shortage while advancing the negotiations with Ethiopia, argues Barak Barif in this article.

BY **BARAK BARIF | THE WASHINGTON INSTITUTE**

On July 26, the chief engineer of the Grand Ethiopian Renaissance Dam, Simegnew Bekele, died under mysterious circumstances. Two days earlier, Prime Minister Abiy Ahmed revealed that the project could take another ten years to complete, even though the self-financed dam has already strained the impoverished country's fragile economy.

The silver lining behind the project's growing uncertainties is that they give Egypt a much-needed respite to devise a better water conservation strategy.

Egyptians are horrified at the effects the dam will have on their water supplies due to a temporary reduction in the Nile River's flow.

Their country has the lowest precipitation on earth and reportedly relies on the Nile for more than 75% of its water, so they believe any drastic decrease could be catastrophic.

In 2017, President Abdul Fattah al-Sisi declared that "no one can touch Egypt's water," calling it "a matter of life or death."

Washington needs to work with both countries to ensure they reach an equitable solution that does not further destabilize Egypt.

Doing so will require a closer look at the political and economic factors that spurred the project and contributed to its delays.

From Ambition to Stalemate

Ethiopia laid the dam's cornerstone in April 2011. To ensure that foreign donors and international organizations could not delay it, the government self-financed the approximately \$4 billion project, raising funds from local banks and deducting money from civil servants' salaries for bond purchases.

Once completed, the project will create the seventh-largest dam reservoir in the world, more than twice the size of the Hoover's (74 billion cubic meters vs. 35.2) and generating almost three times as much electricity (6,000 megawatts vs. 2,080).

Ethiopia plans to use it for power generation rather than for irrigation purposes, selling below-market energy to its neighbors.

Yet the dam will reduce Egypt's water supplies during the multi-year process of filling the reservoir, significantly affecting the country's agricultural industry. For example, Cairo has argued that a 1 bcm decrease in the national water supply would cause 200,000 Egyptians to lose their jobs.

After the 2013 military takeover, Sisi quickly stabilized the country while devising a coherent negotiating strategy regarding the dam. Yet five years of talks have yielded little to no progress on resolving the main issues, with officials reduced to fruitless debates over meaningless technical studies conducted by European consulting firms.

Ethiopia's Economic Challenges

Ethiopia has been touted as an African success story, experiencing several years of growth exceeding 10%. Foreign direct investment skyrocketed from \$365 million in fiscal year 2005/6 to \$4.2 billion by the end of 2017/18.

Yet debt has increased as well, from \$10.5 billion in 2012 to \$26.2 billion in March 2018. And the central bank's foreign currency reserves fell from \$3.2 billion at the end of December 2016 to \$2.8 billion.

In December 2017, the country's reserves barely covered two months' worth of imports, the minimum recommended by the IMF.

Meanwhile, the 2016/17 budget deficit was 3.3% of GDP, the highest since 2006/7, financed by more debt and foreign currency expenditures. And despite its strong growth, the economy still relies on unfinished basic goods such as coffee (30.4% of exports in 2016/17), oilseeds (12.1%), and pulse (9.6%).

The foreign currency shortfalls have spawned economic challenges that Ethiopia cannot solve on its own, so it has looked to foreign patrons for assistance, particularly Beijing. In 2016, China was the largest purchaser of Ethiopian goods (12.5%) and its largest import partner

(31.6%, nearly four times more than any other country). It is also the largest foreign investor, this June, the lowest since 2013/14.



accounting for around 25% of Ethiopia's 5,217 direct investment projects. Yet Beijing is the country's largest creditor as well—from FY 2012/13 to 2015/16 it provided \$4.6 billion, or 29.5% of all of Ethiopia's loans. This included \$1.2 billion to fund a transmission line for the dam.

Other patrons have helped as well. Ethiopia has asked Saudi Arabia for a year's supply of fuel with payment deferred, while the United Arab Emirates promised \$3 billion in aid this June, immediately depositing \$1 billion in the central bank. Both countries are also important trading partners, becoming the fourth- and ninth-largest purchasers of Ethiopian goods (6.7% and 3.3% respectively) in 2016. And earlier this month, Prime Minister Abiy revealed that the World Bank would provide \$1 billion for the budget.

Slowing the Dam

The drop in foreign currency has strained the dam project, leaving Ethiopia unable to pay suppliers. As a result, *Salini Impreglio*—the Italian company tasked with building the dam—is believed to have slowed the pace of construction.

Yet the project has been plagued by avoidable non-economic problems as well.

To conserve foreign currency and give its engineers valuable public works experience, Ethiopia allocated a large share of the project to local firms. In a July 31 article for *Ethiopia Insight*, however, William Davidson noted that the domestic Metals and Engineering Corporation [ME-TEC] lacks the capacity to perform its assigned task, failing to install even one of the dam's sixteen turbines and thereby delaying Salini's electromechanical work.

According to the Salini website, the project was slated to wrap up in May 2017, but it is only around 65% done. Even this figure is misleading because the bulk of the completed tasks fell within the relatively easy earthwork phase; the more complex turbine installation and powerhouse labor remain.

Corruption may also have played a role in the project's postponement—and perhaps in Bekele's death. The day he died, he was slated to provide an update on the delays, possibly naming individuals who have illicitly benefited from the project.

Another suspicious death occurred in May, when Deep Kamra—an executive from Dangote, the Nigerian company supplying the dam's cement—was killed while visiting a restive region of Ethiopia.

Such factors may explain why the prime minister sought to temper expectations about the dam last month. His ten-year completion estimate likely alluded to both completing the dam itself (projected to take another three years) and filling the reservoir (probably seven years, but see below for more on this matter).

His comments also shed light on the government's new priorities. Once a point of national pride symbolizing autarky and regional importance, the dam has been shunted to the side as Abiy focuses on the peace process with Eritrea and domestic reforms. His freewheeling policies threaten the vested interests of the Tigrayan People's Liberation Front [TPLF], which has long dominated the authoritarian country and may have been involved in a June 23 assassination attempt against him.

Helping Egypt Resolve the Dispute

Egypt can use Abiy's changing priorities and the turmoil surrounding Bekele's death as an opportunity to devise a new water strategy, but it will likely need U.S. diplomatic muscle to carry it out. A good first step is to document exactly how much water the country actually needs to draw from the Nile.

The government's Central Agency for Public Mobilization and Statistics noted that Egypt consumed 76.3 bcm of water in FY 2015/16, a figure that includes non-Nile sources. Under a 1959

agreement with Sudan, it is apportioned 55 bcm annually from the river. Yet the Sudanese do not use their entire allotment, so international experts believe Egypt currently draws up to 65 bcm.

As for the dam's effects, the Nile's flow will fall drastically during the reservoir's filling period, forcing Egypt to make up for these annual losses. Thus far, the government plans to increase desalinization fivefold over the next three years, while the prime minister noted in 2016 that Cairo would increase efforts to recycle sewage water and line canals. It has also begun enforcing restrictions on planting water-intensive commodities like rice while encouraging the consumption of grains such as quinoa, which require less water. Such measures are a good start, but they will only save about 5-7 bcm of water per year—not enough to offset the reservoir's filling period.

While Egypt and Ethiopia have a good relationship and are trying to find a solution amicably, they have not made much headway. The biggest remaining issue this late in the dam's construction is the reservoir filling period.

Egypt would like to prolong it as much as possible to lessen the annual decrease in Nile water supplies, with local media pushing for seven to ten years. Before his death, however, Bekele projected completing it in five to six.

To break the stalemate, Washington should urge both sides to accept a seven-year filling period, balancing Ethiopia's need to produce speedy returns on its investment with the damage an accelerated timetable could cause to Egypt.

U.S. officials could also help arrange an international aid package of water-intensive crops such as alfalfa, garlic, and henna, allowing Egypt to preserve precious resources. The dam is a worthwhile project that will provide cheaper electricity to some of the world's most impoverished nations, but their gains should not come at the expense of destitute Egyptian farmers and the stability of the world's most populous Arab state.

Barak Barfi is a research fellow at New America, specializing in Arab and Islamic affairs.

OLF Chairman Dawud Ibsa to return home next week

The delegation will be led by Dawud Ibsa, Chairman of OLF

Addis Ababa, September 8, 2018 (FBC) —A delegation composed of senior officials of the Oromo Liberation Front (OLF) will arrive in Ethiopia from Eritrea on September 15, 2018.

The delegation will be led by Dawud Ibsa, Chairman of OLF.

About 1,300 soldiers of the Front will come together with the delegation by laying down their arms, according to Ibsa Negewo, a senior member of the Front who returned home earlier.

The delegation will be welcomed at an event to be held at Meskel Square in Addis Ababa, he indicated

Djibouti

Will Djibouti Become Latest Country to Fall Into China's Debt Trap?

TESFANEWS AUGUST 1, 2018



Tiny Djibouti houses a key U.S. military base, making it a particular concern for Washington: facing mounting debt and increasing dependence on extracting rents, would be pressured to hand over control of Camp Lemonnier to China. (STR/AFP/Getty Images)

BY AMY CHENG | [FOREIGN POLICY](#)

Djibouti lies more than 2,500 miles from Sri Lanka but the East African country faces a predicament similar to what its peer across the sea confronted last year: It has borrowed more money from China than it can pay back.

In both countries, the money went to infrastructure projects under the aegis of China's Belt and Road Initiative. Sri Lanka racked up more than \$8 billion worth of debt to Chinese sovereign-backed banks at interest rates as high as *7 percent*, reaching a level too high to service. With nearly all its revenue going toward debt repayment, last year Sri Lanka resorted to signing over a 70 percent stake and a 99-year lease to the new Chinese-built port at Hambantota.

Djibouti is projected to take on public debt worth around 88 percent of the country's overall \$1.72 billion GDP, with China owning the lion's share of it, according to a report published in March by the Center for Global Development.

It, too, may face the possibility of handing over some key assets to China.

As Chinese President Xi Jinping continues to push lending to developing countries, policy analysts are sounding alarm bells about the fate of smaller nations biting off more than they can chew—and the strategic possibilities opening to China as a result.

Xi's Belt and Road Initiative, which aims to revive and expand the ancient Silk Road trade routes on land and at sea, has become the crown jewel of his foreign policy since 2013, shortly after coming to power.

Government officials regularly talk up the initiative and state media outlets give it broad coverage.

But many of the projects have stalled in the early stages of planning, and the dollar amount attached is left vague.

More importantly, the countries involved are often seduced by the appeal of large infrastructure projects that are financially destabilizing. Eight of the 68 countries involved in the Belt and Road Initiative currently face unsustainable debt levels, including Pakistan and the Maldives, according to the Center for Global Development's report.

Its vulnerability notwithstanding, Djibouti has been keen to work with Beijing. It partnered with China Merchants Ports Holdings Company, or CMPort—the same state-owned corporation that gained control of the Hambantota port in Sri Lanka—to build the Doraleh Multipurpose Port. That project was completed in May 2017.

Earlier this month, Djiboutian President Ismail Omar Guelleh described the new Djibouti International Free Trade Zone, a \$3.5-billion venture with China, as a “hope for thousands of young jobseekers.”

But the most noteworthy development in Djibouti—and the most worrying for the United States—is China's first overseas military base, which is located 6 miles from the U.S. military's only permanent base in Africa. From Camp Lemonnier, where about 4,000 U.S. troops are stationed, the United States coordinates operations in “areas of active hostilities” in Somalia and Yemen.

In the past year, U.S. diplomats and Generals have grown increasingly concerned that the base will provide China a foothold at the Bab el-Mandeb Strait, a strategic chokepoint in international maritime trade. About 4 percent of the global oil supply passes through this waterway connecting the Gulf of Aden with the Red Sea each year.

Gen. Thomas Waldhauser, who commands the U.S. Africa Command, said in a testimony before the House Armed Services Committee in March that the United States was “carefully monitoring Chinese encroachment and emergent military presence” in Djibouti. Local relations between the two great-power rivals have become especially strained in 2018, with each lodging grievances against the other.

China, for its part, maintains that the naval facility will serve as a logistics hub for its anti-piracy, humanitarian, and emergency evacuation missions. The live-ammunition drills

conducted at the base should be interpreted as “legitimate and reasonable” exercises for counterterrorism operations, a commentator told the state-owned Global Times.

But satellite images of the People’s Liberation Army base may reveal its true purpose. A retired Indian Army intelligence officer noted last September that the 200-acre facility includes at least 10 barracks, an ammunition depot, and a heliport.

Four layers of protective fences surround the perimeter; the two inner fences are eight to 10 meters tall and studded with guard posts. The purported logistical support base is rather a fortress that may accommodate thousands of soldiers. More than 2,500 Chinese peacekeeping personnel are already stationed in countries such as South Sudan, Liberia, and Mali.

“There is nowhere else in the world where the U.S. military is essentially co-located in close proximity to a country it considers a strategic competitor,” said Kate Almquist Knopf, the director of the Defense Department’s Africa Center for Strategic Studies.

“This is not something the Pentagon is used to,” she said.

One concern is that the Djibouti government, facing mounting debt and increasing dependence on extracting rents, would be pressured to hand over control of Camp Lemonnier to China.

In a letter to National Security Advisor John Bolton in May, Sen. James Inhofe (R-Okla.) and Sen. Martin Heinrich (D-N.M.), two members of the Senate Armed Service Committee, wrote that President Guelleh seems willing to “sell his country to the highest bidder,” undermining U.S. military interests.

“Djibouti’s now identified as one of those countries that are at high risk of debt distress. So, that should be sending off all sorts of alarm bells for Djiboutians as well as for the countries that really rely on Djibouti, such as the United States,” said Joshua Meservey, a senior policy analyst at the Heritage Foundation.

“Policymakers are becoming more and more aware of this. The challenge is that there isn’t a strong sense of how to effectively push back or compete with China on some of these issues.”

Meservey says there are simple steps the United States could take to start balancing out China’s expanding influence, including institutionalizing the U.S.-Africa Leaders Summit—a one-off event in 2014 hosted by President Barack Obama. The U.S. government should also incentivize private sector investment in Africa, he said, thus creating competition with Chinese state-backed dollars on the continent.

Other analysts believe China’s debt-driven expansion could backfire on Beijing. Jonathan Hillman, a fellow at the Center for Strategic and International Studies, said one “underappreciated dimension” of China’s predatory lending projects in Africa was the uncertainty that Beijing takes on by doling out trillions of dollars abroad.

“If these projects do not go well, there is a financial and reputational risk to China,” Hillman said.

“The port in Sri Lanka gets a lot of attention, but not too far from the port is an airport that now no plane flies into. That’s not a good advertisement for Chinese soft power or China’s strength or reliability as a partner.”

DP World Wins Arbitration Case for Djibouti’s Doraleh Terminal

TESFANEWS AUGUST 3, 2018 |

“Valid and Binding”: Tribunal declares validity of the concession agreement

London Court of International Arbitration finds Djiboutian Government’s seizure of Doraleh container terminal illegal.

BY GOVERNMENT OF DUBAI

An Arbitral Tribunal of the London Court of International Arbitration (“LCIA”) confirmed the illegitimacy of the Government of Djibouti’s action of seizing control of the Doraleh Container Terminal from DP World.

The LCIA Tribunal has ruled that Doraleh Container Terminal’s Concession Agreement “remains valid and binding notwithstanding Law 202 and the 2018 Decrees”.

Law 202 and the referenced decrees were devices enacted by Djibouti to seek to evade Djibouti’s contractual obligations, and these have been found to be ineffective in law. DP World will now reflect on the ruling and review its options.

On 23 February 2018, the Government of Djibouti illegally seized control of the Doraleh Container Terminal from DP World, who designed, built and operated the terminal following a concession awarded in 2006.

The Terminal is the largest employer and biggest source of revenue in the country has operated at a profit every year since it opened and has been found to have been a “great success” for Djibouti under DP World’s management.

The illegal seizure of the Terminal followed the Government’s campaign to force DP World to renegotiate the terms of the concession. The Concession terms were found to be “fair and reasonable” in 2017 by another LCIA tribunal led by Lord Leonard Hoffmann, Peter Leaver QC and Sir Richard Aikens, all highly respected English jurists.

Following the enactment of Law No. 202 in Djibouti, which purports to empower the Government to terminate its infrastructure agreements, DP World was compelled to commence a new arbitration in February 2018 seeking a declaration that the Concession Agreement was valid and binding on the Government. The Tribunal, comprised of Professor Zachary Douglas

QC, has definitively confirmed that the Concession Agreement, which is governed by English law, remains binding and in force notwithstanding the Government's purported termination of it under Law 202.

DP World is a leading enabler of global trade and an integral part of the supply chain. It operates multiple yet related businesses – from marine and inland terminals, maritime services, logistics and ancillary services to technology-driven trade solutions.

With a portfolio of 78 operating marine and inland terminals supported by over 50 related businesses in over 40 countries across six continents with a significant presence in both high-growth and mature markets, the company enjoys strong relationships with governments around the world, working in partnership to strengthen economies through investment in infrastructure and the implementation of smart trade solutions.

SOME BASIC FACTS

- DP World Doraleh (Djibouti) – facts at a glance
- Concession agreement signed in 2006
- Shareholding structure: 67% government of Djibouti and 33% DP World
- Quay length: 1,050 metres
- Number of berths: 3
- Annual capacity: 1.2 million TEU

Built and operated by DP World, Doraleh Container Terminal (DCT), is widely recognized as the most advanced container terminal on the east coast of Africa, enabling safe, smooth and efficient movement of cargo in and out of the country. The terminal is Djibouti's single biggest employer and is responsible for creating thousands of jobs – both directly and indirectly – for people in the local community

Background

2009: Official opening of Doraleh Container Terminal in the presence of The President of Djibouti Ismail Omar Guelleh, Sultan Ahmed bin Sulayem, Sheikh Ahmed Bin Mohammed bin Rashid Al Maktoum.

The ceremony was attended by more than 400 local and foreign guests. President Guelleh's statement on DP World and Dubai's contribution to Djibouti's growth: "By constructing and inaugurating this terminal, the long-thought dream of the people of Djibouti has turned into a tangible reality thanks to support lent by Vice President and Prime Minister of the UAE and Ruler of Dubai H. H. Sheikh Mohammed bin Rashid Al Maktoum, for whom we harbour deep respect and gratitude.

2000: DP World and the Djibouti Government establish a joint venture with DP World awarded a concession to operate the Port of Djibouti.

The partnership leads to the joint venture building the nearby Doraleh Container Terminal.

Djibouti Rejects Doraleh Terminal Arbitral Award

TESFANEWS AUGUST 4, 2018



The ruling comes as a blow to the debt-laden government of Djibouti and could potentially threaten the country's ability to attract foreign investment. (Shutterstock)

BY **DOMINIC DUDLEY** | **FORBES**

The dispute between Dubai-based DP World and Djibouti over control of the east African country's container port looks set to rumble on after the government said it "does not recognize" a decision by an international arbitration court that DP World's contract to operate the port remains valid.

On August 2 the London Court of International Arbitration (LCIA) ruled that the Djibouti government had acted illegitimately when it seized control of the Doraleh Container Terminal from DP World on February 22 this year.

DP World designed, built and operated the terminal following a concession awarded in 2006, in which it took a 33% ownership stake, with the remaining 67% held by the Djibouti authorities. The port opened in 2009 but DP World says the government subsequently began to pressure it to renegotiate the terms of its concession, which it was unwilling to do.

Djibouti then moved to strip the company of its concession. Under Law No. 202 enacted in 2017, along with a number of decrees issued in 2018, the government gave itself the power to terminate the contract with the Dubai-based port operator.

Having fought to hold on to its concession, DP World welcomed the latest tribunal decision and said it “will now reflect on the ruling and review its options”.

However, the Djibouti government appears unwilling to give up. In a statement issued in response to the tribunal’s ruling, it claimed the contract for the port was “seriously prejudicial to the country’s development imperatives and to the control of its most strategic infrastructure” and that terminating the contract was “necessary and unavoidable [and] made in accordance with international public law.”

The government declined to take part in the arbitration process and now says “the Republic of Djibouti does not recognize this arbitral award” and that “only an outcome consisting in the payment of a fair compensation in accordance with the principles of international law can be envisaged”.

It is not clear from its statement which side it thinks should pay compensation or what amount it would deem to be ‘fair’.

Arbitrators have consistently sided with DP World in the dispute. An LCIA tribunal in 2017 found the terms of the concession to be “fair and reasonable”. Following the passage of Law No. 202, DP World launched a new arbitration case in February this year. The latest ruling backed up the 2017 findings, with the court deciding that the concession agreement “remains valid and binding notwithstanding Law 202 and the 2018 decree”.

DP World claims the Doraleh Container Terminal is the largest employer and biggest source of revenue in Djibouti and has operated at a profit every year since it opened.

The port is located at the center of a region of growing interest for Gulf countries, with ever more apparent competition for influence between the UAE and Qatar in particular. DP World also operates a port in Berbera in the self-declared republic of Somaliland and UAE military forces have used the Eritrean port of Assab as part of their ongoing campaign in Yemen.

DP World’s chairman and chief executive Sultan bin Sulayem recently announced his company is planning to develop a logistics hub in Ethiopia, which will be linked to Berbera port. The recent historic rapprochement between Ethiopia and Eritrea – which was partly enabled by active diplomacy from Mohammed bin Zayed Al-Nahyan, crown prince of Abu Dhabi – could provide another useful boost to the prospects for DP World’s new Ethiopian project.

All this fits in with what Dubai sees as one of its core strengths: transport and logistics. Speaking in London on July 26, minister of state for foreign affairs Anwar Gargash said “A large part of the success of the UAE is in logistics, so our interest in ports is basically driven by our national experience. One of our big successes is really being able to be a logistics center for the region.”

That suggests that DP World and the UAE government are unlikely to give up on their fight for control of the Djibouti port any time soon.

Djibouti Goes from Position of Strength to Potential Down-fall

TESFANEWS AUGUST 10, 2018 |



Serious questions about its reliability as an investment destination are surfacing following its illegal seizure of a DP World port and its noncompliance with international court arbitration decisions.

BY GAVIN DU VENAGE | [THE NATIONAL](#)

It has been a trying few weeks for Ismaïl Omar Guelleh, president of Djibouti, at a time when most other residents of the Horn of Africa are celebrating emerging peace and, with it, the glimmer of prosperity.

Two old enemies Eritrea and Ethiopia have ended 20 years of bloodletting, and even the restive enclaves of Somalia appear ready to reach across the table to former foes in the region. The war involving Ethiopia cut off the landlocked country from Eritrea on the Red Sea coast. As a consequence, 95 per cent of Ethiopian trade flowed through Djibouti's ports. The war's end means Ethiopia has alternative port options in Eritrea once again.

Now, Djibouti has lost at the arbitral tribunal of the London Court of International Arbitration, which ruled that the Djibouti government's seizure of control of Doraleh Container Terminal from DP World earlier this year was illegal.

The finding was a blow to Djibouti, which is already dealing with questions about its reliability as an investment destination following the port grab.

“Nationalist interventions in the economy, and weakening political stability indicate that the current mirage of Djibouti’s investment potential is overstated and unsustainable,” says Robert Besseling, executive director of risk consultancy ExxAfrica.

Just six months ago it all seemed so different. Apart from its logistics hold over Ethiopia, the enclave located on the strategic Horn of Africa was home to at least six foreign military bases that assured both security and income.

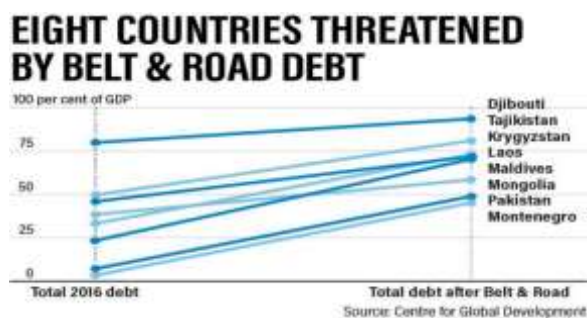
In addition, China was pouring in billions to build a new port and free trade zone, making Djibouti an anchor of Beijing’s strategic “Belt and Road” project. This would put Djibouti at the centre of a grand plan to create a Chinese economic zone that spanned much of the globe.

“Many are dreaming of creating, with Chinese help, something similar to Singapore and the Gulf states,” German publication Spiegel gushed in a Djibouti spread, just last February.

With Eritrea now easing back into the international fold, and its ports once again open to Ethiopia, Djibouti’s logistics value is less certain. The seizing of the DP World’s port concession could not have been worse timed.

Now, potential investors had been put on notice that their capital projects could be taken by Mr Guelleh’s government at any time, Mr Besseling adds.

“Such interventions are likely to deter further foreign investment in the services sector, while Djibouti’s natural resources are negligible.”



Meanwhile, Djibouti must figure out how to deal with the rapidly growing pile of debt it owes Beijing. This is set to grow to around 88 percent of the country’s overall GDP of \$1.72 billion, according to a report published in March by the Centre for Global Development, a US non-profit based in Washington DC.

It is hard not to see a looming similarity with Sri Lanka, which racked up more than \$8bn worth of debt to Chinese banks. Most of the money was spent on Chinese contractors who built the Hambantota port, a colossal white elephant as it turned out.

Unable to service the debt, Sri Lanka this year signed over a 70 percent stake and a 99-year lease to Beijing, which includes 15,000 acres of surrounding land. Perhaps the same fate awaits Djibouti, should it find itself struggling to meet its debt to China.

Mr Guelleh is therefore in a deep hole. He does, however, have some cards left. “Ethiopia has also developed strategic infrastructure around the Doreleh terminal, which means that the port is likely to remain central to Ethiopia’s trade for the foreseeable future,” says Olivier Milland, senior analyst at Allan & Associates in London.

Much of this was also built with Chinese money and, like Djibouti, Addis Ababa also has debts to Beijing. Similarly, just six months ago the Ethiopia-Djibouti railroad was launched, cutting a three-day journey to just eight hours. The Chinese built and financed line cost \$4bn and Ethiopia will have an incentive to keep it as busy as possible.

Mr Milland notes that last month Djibouti inaugurated the first phase of a \$3.5bn Chinese-built Djibouti International Free Trade Zone, which should generate capital for the medium term at least, particularly from the Chinese.

Located on the other side of the Gulf of Tadjoura from the Doraleh port, it will be jointly run by the Djibouti Ports and Free Zones Authority and China’s Merchants Holdings Company. However, immediately after the launch, DP World threatened legal action against third parties if they violated its concession agreement for Doraleh Terminal, which could make moving goods to and from the free zone a challenge.

In the meantime, given its level of infrastructure, “the Doraleh container terminal is likely to remain a strategic international trading hub for the region over the long-term”, Mr Milland says.

If Mr Gulleh can put to rest his differences with DP World, and assure investors that the country is indeed a secure destination for their business, Djibouti can continue to thrive.

“It is true that Djibouti faces stiffer competition from its neighbours Eritrea and the self-declared state of Somaliland, but it is less clear what this means to the wider geopolitics of the region,” Mr Milland says.

“The country still boasts the largest and most modern ports in the region, with millions of US dollars slated for more foreign investment in the coming years.”

Meanwhile, following Djibouti’s announcement that it would not comply with the London court’s ruling that its seizure of the port was illegal, DP World said at the weekend it was considering its options, although it has long ruled out accepting a financial settlement in the dispute.

Djibouti's Seaport Could Face New Competition

TESFANEWS AUGUST 12, 2018



Djibouti's status as the sole seaport for landlocked Ethiopia is facing a formidable challenge from a resurgent Eritrea and a UAE backed Berbera port in Somaliland. (Photo: Massawa port, Eritrea)

BY **MARITIME EXECUTIVE**

Djibouti has invested heavily in making itself a hub for deep-sea shipping in the Horn of Africa, and much of its business depends upon its status as the sole seaport for landlocked Ethiopia. However, its port revenues could be challenged by the re-emergence of neighboring Eritrea that could soon regain access to global commerce.

Eritrea won its independence from Ethiopia in 1991, and it remained in a permanent “state of war” with its former occupier until this July, when Ethiopian Prime Minister and Eritrean President Isaias Afwerki signed a landmark peace agreement.

The deal opens the path to resumed commercial ties, explicitly including the possibility for joint seaport development – much to the consternation of Djibouti, which has a cold relationship with Eritrea and would not benefit from a neighboring competitor.

An Eritrean port development plan could have foreign backers. The United Arab Emirates has longstanding ties with Eritrea, and in 2015 it built a naval base at the Eritrean port of Assab to support its military operations in Yemen, just across the Red Sea.

Emirati diplomats helped to broker the peace agreement between Ethiopia and Eritrea this July – after Djibouti took control of the Doraleh container terminal from UAE-owned DP World, sparking protests from the UAE.

Analysts note that the Emirates could underwrite the expansion of competing port facilities in Eritrea to handle Ethiopian cargo.

DP World has already made similar moves in Berbera, Somaliland, where it is investing \$440 million in a new multipurpose port to serve the Ethiopian market – potentially drawing business away from Doraleh.

Eritrean Ports, Pipeline Threaten Djibouti's Ethiopian Trade Lifeline

TESFANEWS AUGUST 16, 2018.

BY THOMAS C MOUNTAIN

Djibouti has been landlocked Ethiopia's only access to the sea and depends of port taxes paid by Ethiopia for most of its income and with the Eritrean ports of Massawa and Assab on the Red Sea about to open finds itself faced with losing most of the Ethiopian trade it has enjoyed a monopoly on for the past twenty years.

For a country of less than a million mostly poverty-stricken people, the over \$1.5 billion a year coming in from unloading cargo for Ethiopia's almost 100 million people is almost three quarters of its income and facing competition from Eritrean ports more conveniently located and better yet, tax free, most of the Ethiopian trade will be lost.

Why should Ethiopia pay for services from Djibouti when they get Free Ports in Eritrea and can use the money saved to help with their balance of trade deficit? The just-announced UAE funded oil pipeline from Assab to Addis Ababa is another nail in Djibouti's coffin.

To try and diversify its economy, Djibouti has taken to offering its services to any and all armies, hosting military bases for the French, its former colonizer, the USA and now China and its 10,000 troops. Even Turkey and Saudi Arabia are rumored to be planting their flags in Djibouti soon.

Being right next door to the strategically critical Ba'ab al Mandeb, the "Gate of Tears" straits between the Red Sea and the Indian Ocean and a chokepoint for the worlds largest trading partners, Europe and Asia, it is in the "national interests" for any government with imperial ambitions to have a base in Djibouti.

Still, \$500 million a year in base rents cannot make up for what could be a 75% loss in Ethiopian trade and port tax revenue. What this will mean to China's new \$3.5 billion railroads running from Djibouti to Ethiopia is a good question, with specters of it becoming a white elephant with little freight to carry and Ethiopia expected to pay what turns out to be an odious loan?

This railroad deal was made with the former TPLF gangster regime ruling Ethiopia since 1991 and was made without consideration taken for peace between Eritrea and Ethiopia breaking out. Now that “*Ethiopia’s Peaceful Revolution*” has taken root, a railroad between the Eritrean port of Assab and Addis Ababa is what is needed, not the now redundant one built by China under its shortsighted foreign policy.

How is debt overloaded and foreign currency strapped Ethiopia supposed to pay for another multi-billion dollar loan for a project built by the funding country that is now going to be a money-losing operation from the start? Sometimes you really have to question just how well informed the Chinese Foreign Ministry is, with “economics for dummies” desperately needed.

Eritrea has been on a foreign policy offensive, by all appearance successfully directing a “soft coup” in Ethiopia, followed by a rapprochement with Somalia, with Djibouti next on the list for either another soft coup following the dark days to come or maybe some sort of foreign intervention under the watchful eyes of a few major imperial powers.

As 42-year-old Ethiopian PM Abiy Ahmed said, don’t worry about all these problems we Ethiopians face, Eritrea’s “Isaias [Aferworki] is leading us”.

What he is saying is rest assured a plan is in the works and when it is enacted it will serve the best interests of the almost 200 million people of the Horn of Africa and not those of imperialists large or small.

Having spent his whole adult life, over 50 years now, fighting for a real peace based on respect and cooperation between neighbors free of domination and exploitation, President Isaias today is leading a fundamental change in how the future will be decided here in what has been called Africa’s Horn of Hunger.

Hope that we will finally break free from war, famine and chaos here in the Horn of Africa is finally becoming a reality.

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Djibouti and The Growth of Arms Trade in the Horn of Africa

TESFANEWS AUGUST 26, 2018

Over the past few years, Djibouti has emerged as an increasingly important hub for weapons trans-shipment to armed groups in the region

The reluctance of western and other powers to act against Djibouti's increasing arms trafficking activities poses an existential threat to the security of the Horn of Africa and imperils ongoing efforts to end long-running conflicts in the region.

BY EXX AFRICA

EXX Africa published a special report on the arms trade in the Horn of Africa. The trade of illegal weapons in the Horn of Africa remains highly lucrative and is comprehensively entwined with transnational terrorist groups, drug smuggling, and the conflict in nearby Yemen.

The focus of the regional arms trade remains volatile Somalia and its semi-autonomous regions where demand for weapons remains unabated despite various embargoes and other sanctions.

Over the past few years, Djibouti has emerged as an increasingly important hub for weapons trans-shipment to armed groups in the region.

There is growing evidence that Djibouti is acting as a strategic transit location for weapons derived from a Houthi-held territory in Yemen, which it then ships to the Awdal region of northern Somalia through its peacekeeping deployment in the AMISOM mission.

Djibouti's enhanced role in regional arms trafficking is occurring at the same time as the country's government is seeking fresh foreign investment in its important marine port sector and related industries.

Many Djiboutian companies that are engaged in the country's thriving marine sector have been implicated in the illegal weapons trade, raising reputational risks for foreign investors seeking to participate in Djibouti's economy.

The proliferation of weapons in Djibouti is also raising concerns over armed criminal activity and rising risk of terrorist attacks in a location frequented by foreign military personnel.

However, none of Djibouti's international partners are willing to flag such risks, fearing the potential loss of their leases on strategically important military bases in the country.

One local source described the arms trade in the Gulf of Aden as a 'political mess that most western nations do not want to wade into.'

Despite evidence implicating senior Djiboutian officials in the arms trade, there has been no concerted effort to impose punitive sanctions on these individuals.

Djibouti's role in regional arms trafficking is set to grow even further as old foes Eritrea and Ethiopia seek to agree on a lasting peace that will have significant ripple effects on the arms trade supply chain in the Horn of Africa.

Armed groups in Ethiopia, Somalia, and the Sudans, as well as al-Shabaab, have long relied on Eritrea to supply weapons. As Eritrea seeks rapprochement with Ethiopia and a return to the international community, its role of arms trafficking hub will become significantly diminished.

Djibouti, which favours a weak Somalia and an isolated Eritrea, is likely to step into the gap and leverage its existing arms trafficking networks to continue to supply illegal weapons to armed groups in the Horn of Africa as Eritrea potentially steps out of the trade.

Since seizing control of the Doraleh port terminal, the Djiboutian government seems to be preparing to increase shipments through the country's main port.

However, most shipments of illegal weapons through Djibouti will continue to be done by smaller dhows via the fishing communities on the south-east coast and via the Garacad port project.

Djibouti: From Island of Stability to Agent of Chaos?

TESFANEWS AUGUST 31, 2018 |

BY AARON BROOKS | EAST AFRICAN MONITOR

For the past decade, Djibouti has been a tiny haven in the Horn of Africa, mostly free from the tension simmering elsewhere in the region. This has produced an influx of investment that has turned Djibouti into one of Africa's most important trade and military hubs.

Bordered by Eritrea on one side and Somaliland on the other, Djibouti offered some of the only Red Sea real estate secure enough for investors and major powers. Its geographical location and the regional environment made it a high-demand destination by default. Global powers including both the United States and China have built military bases, funded port developments and invested in infrastructure projects.

All of this could now change, thanks to Ethiopia's recent rapprochement with neighbouring Eritrea and Somali calls for sanctions to be lifted against [Eritrea]. Djibouti's regional monopoly is coming under threat, not from war but instead from peace. In its drive to protect its own interests, could this longtime beacon of peace in the Horn of Africa become the thorn in the side of new efforts to end regional conflict?

How Djibouti gains from tension in the Horn of Africa

For decades, Djibouti has benefited from the border conflict between Ethiopia and Eritrea. Landlocked Ethiopia needs access to the Gulf of Aden, which sits on the other side of Eritrea,

Djibouti, and Somalia. With ties between Ethiopia and Eritrea cut and Somalia torn by internal conflict, Djibouti was for a long time the only viable option left for Ethiopia (one of the world's fastest-growing economies) as it connected its trade ambitions to the wider world.

Currently, 95% of Ethiopia's \$2.9 billion foreign trade passes through Djibouti, accounting for roughly 70% of cargo passing through Port of Djibouti heading in or out of Ethiopia.

Similarly, Somalia's internal problems with al-Shabaab and piracy along its coastline posed a serious threat to global trade. The Gulf of Aden and the Red Sea connect the Indian Ocean to the Mediterranean, meaning they sit on one of the most important trade routes on the planet, which one-third of the world's commercial ships transit. To protect this route, American, European, and Japanese forces built military installations in Djibouti and used it as a base to ensure the safety of these waters.

Djibouti has also benefited greatly from the "War on Terror" and serves as home to one of the US' most strategically important military bases, *Camp Lemonnier*, which has been in operation since 2001.

The American military has used Djibouti to stage counterterrorism operations in both Yemen and Somalia over much of the past twenty years. Djibouti also hosts Japan's only overseas military base, while France hosts German and Spanish troops at its own facility in the country. Italy operates a base as well.

Last year, China opened its first overseas military base in Djibouti – sparking serious concern on the part of the US, Japan, India, and others. At the Pentagon and on Capitol Hill, American lawmakers and military planners have become increasingly vocal about the threat China's economic clout and political influence poses to their own position in the country.

Radical moves on the part of Djibouti's government, such as the February seizure of the Doraleh Container Terminal from contractor DP World, have raised fears that the Djiboutian government of President Ismail Omar Guelleh is willing to forcibly sideline other international partners to China's exclusive benefit.

A decision by the London International Court of Arbitration earlier this month ruled Djibouti cannot terminate its contract with DP World, though the government has shown no intention of returning the port to the company's management.

Two weeks after the Doraleh port seizure, US AFRICOM commander Gen. Thomas Waldhauser told the House Armed Services Committee that a Chinese takeover of the Doraleh port would pose "significant consequences" for the American military presence in the country.

After the hearing, Congressman and committee member Bradley Byrne wrote to Secretary of Defense James Mattis to communicate his concerns regarding Chinese influence over Djibouti and the proximity of China's 10,000-man installation to the American Camp Lemonnier.

Peace in the Horn of Africa is bad news for Djibouti

Before the Ethiopia-Eritrea peace agreement, Djibouti enjoyed a relatively free hand in taking such decisions because of its monopoly over Red Sea real estate. Peace between Ethiopia and Eritrea puts all of this at risk.

Ethiopia has made it clear that developing ports in Eritrea and building new trade routes is a key factor in recent peace efforts, especially as the country aims to reduce its reliance on Djibouti.

Ethiopia isn't the only country looking to restore ties with Eritrea. The UN placed an arms embargo and economic sanctions on Eritrea in 2009 over its alleged support for militant group al-Shabaab, which continues to wreak havoc in Somalia. Now, Somali president Mohamed Abdullahi Mohamed is urging the UN to lift these sanctions. Somalia and Eritrea reached a deal to restore bilateral ties at the end of last month.

Djibouti hasn't been particularly enthusiastic about Somalia's new stance. Djibouti has its own border dispute with Eritrea and contributes troops to AMISOM, the African Union peacekeeping mission in Somalia attempting to defeat the militant group Eritrea was previously accused of supporting.

It's still an open question as to whether this opening will impact human rights violations in Eritrea, including the system of indefinite compulsory military service programme which was driven by the border conflict with Ethiopia and now seems unnecessary.

The opportunity to shrug off UN sanctions and pursue the same opportunities that have transformed Djibouti into a hub could be too much for the secretive nation to resist. The ongoing DP World dispute has already pushed the United Arab Emirates to explore port investment opportunities in Eritrea. Separately, both the UAE and Ethiopia are working to develop the Berbera port in Somaliland.

It seems Djibouti's position as the Horn of Africa's darling nation has already been overshadowed. As it lobbies its neighbours against their rapid reconciliation with Eritrea, could Djibouti wind up becoming the villain in this otherwise buoyant story? With its key selling points for investors being diluted and its economic leverage under threat, Guelleh and his government may have no other choice.

London Court Stops Djibouti from Terminating DP World Joint Venture

TESFANEWS SEPTEMBER 5, 2018

London Court bars Djibouti from treating its joint venture shareholders' agreement with DP World as terminated.

Messing with the wrong ... If Djibouti Port Authority (PDSA) disobeys the Court's order and seeks to replace DP World nominated directors of DCT on 9 September, it may be in contempt of court and face a fine or the seizure of its assets and its officers and directors may be imprisoned.

BY GOVERNMENT OF DUBAI | PRESS RELEASE

The High Court of England & Wales has granted an injunction restraining Djibouti's port company, Port de Djibouti S.A. (PDSA), from treating its joint venture shareholders' agreement with global trade enabler DP World as terminated.

The High Court has further prohibited PDSA from removing directors of the Doraleh Container Terminal (DCT) joint venture company who were appointed by DP World pursuant to that agreement.

PDSA is not to interfere with the management of DCT until further orders of the Court or the resolution of the dispute by a London-seated arbitration tribunal.

PDSA is owned in majority by the Government of Djibouti and its CEO is the Chairman of the Ports & Free Zones Authority of Djibouti. Hong Kong-based China Merchants is the minority shareholder in PDSA.

The High Court's order follows the unlawful attempt by PDSA to terminate the joint venture agreement with DP World and the calling of an extraordinary shareholders' meeting on 9 September by PDSA to replace DP World appointed directors of the DCT joint venture company.

This is the third legal ruling in relation to the Doraleh Container Terminal following two previous decisions from the London Court of International Arbitration (LCIA), all of them in favour of DP World. It recognizes that although PDSA is the majority shareholder of the DCT joint venture company, it is DP World that has management control of the company, in accordance with the parties' legally binding contracts.

The new ruling against PDSA, issued by the Court without PDSA's participation, makes clear that PDSA:

- Cannot act as if the joint venture agreement with DP World has been terminated
- Cannot appoint new directors or remove DP World's nominated directors without its consent
- Cannot cause the DCT joint venture company to act on the "Reserved Matters" without DP World's consent

- Cannot instruct or cause DCT to give instructions to Standard Chartered Bank in London to transfer funds to Djibouti

If PDSA disobeys the Court's order and seeks to replace DP World nominated directors of DCT on 9 September, it may be in contempt of court and face a fine or the seizure of its assets and its officers and directors may be imprisoned.

The Court has ordered PDSA to present its defence at another hearing on 14 September.

Meanwhile, DP World is notifying *Standard Chartered Bank* so that the bank will reject any instructions that may be sent to them after the 9 September meeting.

China Merchants, who have been given operational control of the Djibouti Free zone in breach of DP World's exclusivity rights, will also be informed given its minority shareholding in PDSA.

Somalia, Djibouti Agrees to End Diplomatic Rift

TESFANEWS AUGUST 18, 2018 |

BY RFI AFRICA

The quarrels between Djibouti and Somalia seems past. Somali President Mohamed Farmajo was in Djibouti since August 16 where he met with his counterpart Ismail Omar Guelleh.

The two countries have only boasted of their bonds of friendship and good understanding.

Yet before this day, the context was tense between the two countries. Djibouti had ruled that Somalia's call for the lifting of international sanctions against Eritrea was unacceptable, while Djibouti and Asmara still have an ongoing 'border' dispute.

Somalis and Djiboutians were eager to pick up the pieces. In particular, President Farmajo had to be forgiven for supporting the Eritrean 'enemy'.

"Unlike tradition, he did not even go to Djibouti after his election," said Sonia Le Gouriellec, Horn of Africa expert.

To add weight to the balance, Djibouti also reminded its neighbor of the deployment of soldiers on his territory to help Somalis fight terrorism. But Djibouti could not aggravate its isolation either.

Indeed, the small coastal state is in a complex situation. Peace between Eritrea and Ethiopia threatens its economic prosperity and the use of its port infrastructure.

Meanwhile, relations between Somalia and Eritrea continue to heat up. For example, the Eritrean Minister of Foreign Affairs has just spent three days in Mogadishu. "Djibouti is lagging behind on all issues," says Sonia Le Gouriellec who points to another threat: that of the UAE.

Djibouti is experiencing a violent standoff with Dubai, especially since the country expelled the UAE company DP World from its port of Doraleh.

"Many think that UAE wants to blow the Djiboutian regime. The business has become personal," explains Sonia Le Gouriellec.

The Emirati is now managing the rival port of Berbera in Somaliland, they want to build a pipeline between Ethiopia and Eritrea.

In short, Djibouti weakened and could not afford the luxury of a quarrel with the Somali neighbor.

Special: Tigray's view

How Tigrai Online comments the actual situation

Stauffer's Note

“Tigrai Online” as news agency stood near the old, Tigray-dominated Government of Ethiopia. These forces are not willing to accept the policy of the new, elected PM Abiy. They are opposed to the settlement of the Ethiopian-Eritrean border issue, as it is clearly shown on the map: Badme belongs to Tigray. PM Abiy is labelled as an Arab mercenary, as it is shown in the reprinted article. Even if the peace process seems to be irreversible, opposition is still vivid.



<http://www.tigraionline.com/articles/tigray-people-gov-reacts.html>

Do you have full confidence in Prime Minister Abiy Ahmed Ali to lead Ethiopia?

Prime Minister Abiy Ahmed is a paid Arab mercenary who has nothing to do with Ethiopia

Tigrai Online, August 13, 2018

Six months after Dr. Abiy Ahmed became a prime minister of Ethiopia the country has gone from bad to worst. The political situation is toxic and the Ethiopian people are in a state of confusion because the prime minister is a loose cannon aimlessly wondering with no clear policy or direction.

He has released hundreds of criminals from prison without due process, opened Ethiopia to terrorists who openly declared to dismantle the country, Abiy completely abandoned the constitution in many levels including by invading the Regional state of Somali, he is interfering in religion, and he is working with Ethiopian foreign enemies.

Prime Minister Abiy Ahmed Ali never mentioned the following important phrases since he became a prime minister.

1. Ethiopian Nations and Nationalities
2. The Grand Ethiopian Renaissance Dam – GERD
3. Ethiopian Constitution
4. Prime Minister Meles Zenawi
5. Engineer Simengew Bekele
6. Ethiopian Terrorist groups

Why are the above listed words and many more allergic to Prime Minister Abiy Ahmed Ali? He refuses to use them in any context in his speeches, he is afraid to use the above words because they are offensive to those who are behind him and his masters.

Ethiopia has been turned in to a disastrous freak show in the past six months, however there are a few strange things that happened which are very hard to explain. For example do you remember when the Abiy Administration sent official letters to Tigrai TV and ENN TV chastising them for not covering the inauguration of the new prime minister? Well, ENN which was an independent TV station was forced to close by the government and if they can they would have tried to close Tigrai TV, but they can't. Then how come the Oromia Media Network – OMN was allowed to not only operate legally in Ethiopia, but OMN was celebrated when the owners decided to come from Saint Paul, Minnesota, U.S.A to Ethiopia. If it is a government policy to open the Ethiopian airways to independent media networks, well what is the standard to allow some and to deny some on top of that what was the reason ENN was forced to close?

The other angering and mystifying situation about this freakazoid prime minister is his refusal to speak and promote the most important project in Ethiopia's history, the Grand Ethiopian Renaissance Dam – GERD. The Ethiopian people have paid millions of their hard earned

money for the construction of the GERD which is almost 75% completed, but since this man came to power he totally ignored the project and he instructed the media to ignore it, why? We all know what happened to our hero and beloved Engineer Simegew Bekele the Chief Engineer of the Grand Ethiopian Renaissance Dam.

Abiy Ahmed could have done miracles if he would have build up on top what has been built by EPRDF by correcting the wrongs and creating more goodness, but he decided to reinvent the wheel from scratch and demolish what was achieved in the past twenty seven years.

The fake honeymoon between Abiy and the Ethiopian people is about to be over. The relationship was based on hate, Abiy hates TPLF/EPRDF because they were about to expose his treasonous secret against the Ethiopian people, and the people of Ethiopia were fed up with TPLF/EPRDF because they wouldn't listen to them. After Abiy became a prime minister he started a few sweet keywords and many Ethiopians feel for it, but it did not take too long for him to expose his true nature, a paid Arab mercenary who has nothing to do with Ethiopian traditions, culture, and religion. He has no respect for our traditional Muslims nor does he have any care of the Ethiopian Orthodox Tewahado Christians because he does not belong to any of them.

The main purpose of this article is to ask how you the reader of Tigray Online would evaluate the past six months of Ethiopian politics and do you have full confidence in Prime Minister Abiy Ahmed Ali as a leader?

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