



SITUATION REPORT FOR ETHIOPIA October - November 1998

Consolidated UN report prepared by the Information Section of the UNDP Emergencies Unit for Ethiopia from information and reports provided by specialised UN agencies, media sources, the Ethiopian Government and NGOs.

HIGHLIGHTS

- ❑ The International Monetary Fund has agreed to resume the three-year Enhanced Structural Adjustment Facility (ESAF) suspended in October 1997. The new agreement includes a US \$42 million loan to underpin the country's financial reform programme;
- ❑ Ahead of the November 7-8 Ouagadougou meeting of the OAU high-level contact group formed to facilitate a peaceful settlement of the border dispute between Eritrea and Ethiopia, increasingly serious skirmishes from mid-October led to the evacuation of further civilians away from the contested zones;
- ❑ Early reports suggest that this year's *meher* (main) season harvest will be good to very good, perhaps even exceeding the 1996 bumper harvest of 11.7 million tons. Areas of concern remain, however, with East Haraghe zone of Oromiya expected to require substantial food relief assistance and signs of drought-induced food needs in pastoral areas of the Somali region;
- ❑ Substantial shipments of food aid and fertiliser amounting to more than 500,000 tons between November and February are expected to place considerable strain on facilities at Djibouti port and on the inland transport delivery system. Having recognised the problem, the government is preparing a master plan for the most efficient use of resources;
- ❑ The annual Joint FAO-WFP Crop and Food Supply Assessment Mission arrives mid-November to support the government determination of agricultural performance in 1998. The mission will be paying particular attention to the potential for a marketable surplus of grain in 1999.

NEWS AND EVENTS

IMF resumes lending programme: The board of directors of the International Monetary Fund have approved the resumption of the three-year Enhanced Structural Adjustment Facility (ESAF) suspended in October 1997 amid concerns that the nation was slow in implementing its economic reform programme, especially in freeing-up exchange and interest rates. Under the ESAF mechanism, the IMF also decided to loan US \$42 million to Ethiopia for 1998-99 to underpin transformation of the country's financial sector, ease trade rules and raise standards of health and social security. The loan will be disbursed in two equal annual instalments, the first of which will be made available immediately and the second after a further mid-term review. Finance Minister Sufian Ahmed said that the decision to resume the ESAF programme was based on Ethiopia's significant efforts in deepening economic reforms. He added that the new loan will lead to sustained economic growth and reduce poverty.

New development aid announced: The European Union has disclosed that it is making preparations for the launching of 13 new projects and programmes at a cost of over US \$600 million in accordance with the first and second financial protocol of the Lome IV Conventions. The various projects envisioned include road, water supply, education, food security, democratisation, and structural reform sectors. Meanwhile, the British development NGO, S.O.S Sahel, has signed an agreement to undertake development projects worth approximately US \$2.3 million in the Meket wereda of North Welo. The organisation will conduct the projects over a seven-year period. In other news, the French Development Agency (AFD) granted

approximately US \$9.5 million to the Addis Ababa water supply project. A statement from the French embassy said that the money would finance the Akaki Ground Water II project which will increase the water supply of Addis by 72,000 cubic meters.

USAID supports food security and other projects The United States Agency for International Development announced that it has given a grant of US \$226,100 to the Ethiopian Agricultural Research Organisation (EARO) to conduct an impact assessment of maize technology in Ethiopia. The organisation announced that it has given another US \$119,235 to the Ministry of Trade and Industry for system development, pilot testing and implementation of a new automated trade licensing and registration system. These grants were provided through the Development of Competitive Markets project which works in collaboration with the Ministry of Economic Development and Co-operation (MEDaC). Meanwhile, USAID signed two grant agreements totalling US \$23.4 million in support of Ethiopia's education and health sectors with \$12 million going to the education sector as part of an \$80 million bilateral Basic Education System Overhaul (BESO) programme.

UNESCO pledges funds to rebuild schools: The United Nations Educational Scientific and Cultural Organisation has pledged to donate US \$50,000 to Ethiopia for the reconstruction of the schools destroyed by fighting in Tigray. The Director General has expressed great concern that if war was to break-out with Eritrea, the people of both countries who have suffered from armed conflicts most of their lives will once again suffer its devastating effects.

A healthy economic growth: Brook Debebe, Vice-Minister of the Ministry of Trade and Industry disclosed that Ethiopia is expecting an eight percent economic growth in the current fiscal year, which ends in June 1999, with the inflation rate well below four percent. Mr. Brook said that the government's removal of restrictions on hard currency transactions by state and private commercial banks helped speed up the economic growth. He also noted that the import-export trade has increased since the country started using the port of Djibouti. Meanwhile, in a move to boost the country's foreign earnings capacity, the National Bank of Ethiopia announced that the ban on *franco valuta* imports was lifted as of 25 September 1998 for exporters engaged in export trade and production. The government had banned *franco valuta* imports in July 1996 to discourage the domestic foreign exchange black markets and to combat contraband.

Other development news The Amhara Rehabilitation and Development Agency announced that it has allocated 9.8 million birr for development projects in 3 zones of the state. The projects include building a 52 kms of gravel road, sinking 36 water wells, developing four springs, and expanding 2 veterinary clinics and health and educational institutions. Meanwhile, the World Bank-supported Ethiopian Social Rehabilitation and Development Fund (ESRDF) said that it will undertake health projects in north and south Gondar zones which are expected to benefit 7,000 people. The projects, which include upgrading 4 elementary schools, constructing another and one health post are expected to cost 37 million Birr. The Amhara branch of the ESRDF announced a plan to launch various development projects, which include 89 water and 31 health and education projects at a cost of 48.8 million birr this year. The projects are expected to be completed by July 1999 and 112,000 people are expected to be beneficiaries. Similarly, 47 health projects have been planned in the Somali State at a cost of over 37 million birr with funds amounting to US \$676,333 coming from UNDP.

Ethiopia still lacks roads The General Manager of Ethiopian Roads Authority announced that despite the 110 percent increase in its road network since 1988, Ethiopia has one of the lowest road densities in Africa. Mr. Tesfamichael added that 80 percent of the goods and people movement in Ethiopia depends on traditional means of transport such as walking, head and back loading and animal transportation, which has resulted in high transportation costs and inaccessibility to agriculturally viable areas. Taking this into account, the government has organised a study for the formulation of a rural roads and transport strategy in 1999 which, when finalised, will create a new momentum for the development of rural roads.

Education and children's rights. The Ministry of Education announced that it has allocated 12.2 billion birr for education for this fiscal year. Education is now available to 35 percent of school age children. In related news about children, at a federal symposium the Family, Children and Youth Department announced that although the basic laws protection children's rights are in place, poor public awareness is perpetuating the harsh conditions most of Ethiopian children face today. The department says that traditional beliefs that violate children's rights should be identified and dealt with. The specific problems of

child labour and child prostitution were pointed out and it was stressed that action should be taken against individuals who force children into such a life. Representatives from the Afar, Benishangul-Gumuz and Amhara States took part in the symposium and provided some input concerning their respective State's concerns in the area.

Assistance to flood victims: The Disaster Prevention and Preparedness Commission (DPPC) reported that emergency aid was distributed to 16,000 people uprooted by the flooding in Gambella which occurred in August. The emergency aid consisted of grains, nutritious food, and plastic sheeting. More than 70,000 people were affected when the river Gillo flooded there. Meanwhile, the DPPC distributed some 3,700 tons of food to 250,000 people affected by the climate change last year in the East Hararghe zone. Similarly, 220 tons of food was distributed to 88,000 drought-affected people in four zones of the Somali State by DPPC.

Salt imports impounded: Some salt importers, who claimed that they were exempt from paying taxes according to the law because salt is a sea product, were challenged by the Customs Authority. The Authority said that the law applied only to customs tax and the importers still had to pay sales and excise taxes. During the dispute, twenty truck loads of edible salt was held at Galafi at the Ethiopian Djibouti border. Although there is a salt shortage in the country at the moment, no rise in prices has been seen. Meanwhile, in a separate incident, the Ethiopian customs seized 2,000 metric tons of salt when it suspected that the importers were lying about its origin. The Customs Authority has since introduced a new law requiring importers of salt to produce the bill of lading and a certificate of country of origin.

Bus passengers killed in attack near Babile: In a serious incident on the morning of 22 October at the western outskirts of Babile town in East Hararghe (Oromyia Region), unknown attackers, after having stopped two buses travelling on the main highway between Harar and Jigjiga, opened fire and killed more than a dozen passengers and two drivers. Official statements indicate ordinary bandits being the culprits while other sources do not rule out the involvement of an extremist opposition movement.

Prime minister on Asian tour: Prime Minister Meles Zenawi recently visited Japan, Malaysia, and South Korea in a ten day Asian tour. The Prime Minister and a high level delegation attended the African Development Symposium in Tokyo at the Second Tokyo International Conference on African Development (TICAD-II). While at the conference, Prime Minister Meles met with the UN Secretary General Kofi Anan. The two discussed the Ethio-Eritrean conflict and the SG reiterated his support for the peace plan that was proposed by the OAU and endorsed by the UN Security Council. The Prime Minister also held talks with the Japanese Foreign Minister in which Japan pledged to further relations between the two countries. Meles also met and held talks with the South African Vice President, Tambo Mbeki and the President of Djibouti Hassan Gouled Aptidon on international and bilateral issues. After his visit to Japan, the Prime Minister visited Malaysia where the two countries signed three agreements on economic, scientific and technical co-operation, and protection of investment. Finally, the Prime Minister went on to visit Seoul, South Korea where he met the President, the Prime Minister and representatives of major South Korean business associations. While there, Meles Zenawi signed an agreement on cultural exchange, attended a seminar on trade, toured various industrial facilities, and visited a monument commemorating those who died during the Korean war of 1950-53. Some 6,000 Ethiopians participated as part of the UN contingent in the war.

Ethiopian tourism commission reassures visitors: The Ethiopian Tourism Commission has outlined an advertising and marketing campaign to address visitors' security fears. An official of the Tourism Commission, Mr Zeyede Haile noted that inviting foreign travel agents, tourism magazine publishers and journalists into the country to get a first hand look was one means of accomplishing the task. He also stated that although the tourist trade was not affected that much, "erroneous and exaggerated" statements by foreign embassies and international media coverage of the conflict with Eritrea could have a very negative impact on the tourist trade.

CONFLICT WITH ERITREA

General Situation

October was generally quiet along the disputed border. However, in the lead-up to the long-awaited meeting of the high-level OAU contact group, held in Ouagadougou on November 7 and 8, tensions rose considerably and skirmishing led to the precautionary evacuation of a number of towns and villages close to the border in Tigray.

On the diplomatic front, during the first week of October, both governments gave statements to the UN General Assembly on the dispute. Ethiopia's Foreign Minister, Seyoum Mesfin, told the GA his country was trying its best to avoid war in its territorial dispute with Eritrea, but would stand up to the aggression regardless of the consequences. "The Ethiopian government and people firmly believe that this flagrant violation of international law...should not be left unchallenged".

The Eritrean Foreign Minister, Haile Woldensae, told the GA that the dispute was about borders, "pure and simple," adding that his country was ready to enter into an agreement, without pre-conditions, for "the cessation of hostilities and the peaceful resolution of the dispute by any method as the only acceptable solution".

Ahead of efforts to convene a high-level OAU meeting in Ouagadougou, Burkina Faso, on October 6 former US National Security Adviser Anthony Lake arrived in the region reportedly to back the peace-making efforts of the OAU. Lake met with the leadership in Ethiopia before travelling to Asmara where he met with President Isaias Afewerki and other government officials. The results of the mission were not made public.

On November 78, the OAU called a meeting of the high-level contact group in Ouagadougou, at which Burkina Faso President Blaise Compaore, Zimbabwe's Robert Mugabe and Djibouti president Hassan Gouled Aptidon (representing IGAD) were present. Based on the findings of the earlier OAU Committee of Ambassadors, the group proposed to delegations from Eritrea and Ethiopia, led by Isaias Afewerki and Meles Zenawi, respectively, an eleven-point framework for the peaceful resolution of the dispute. Based on the earlier US-Rwandese plan, the main elements of the framework were reported to be:

- a retreat of Eritrean troops from the disputed Badme area "as a mark of goodwill";
- the re-establishment of the Ethiopian administration which had been in place in Badme before Eritrean troops occupied it;
- the deployment of an OAU-led peacekeeping force for six months along the common border;
- the demilitarisation of the Badme area, which would be controlled by the peacekeepers;
- a halt to the expulsions by each country of the other's nationals;
- delineation of the border under UN supervision within six months and in conformity with international conventions and laws.

Following presentation of the framework, Salim Ahmed Salim, Secretary General of the OAU said both countries would continue to reflect on the proposals made by the committee and would make their positions clear in due course. The response of the parties would then be presented to a meeting of the OAU Central Organ for Conflict Prevention scheduled for December. Salim added that though a ceasefire had not been agreed in Ouagadougou, both leaders had agreed to the principle of respecting the border defined at the independence of Eritrea in 1994.

US special envoy Anthony Lake returned to the region on November 10 to continue his efforts to support the OAU peace initiative. Starting in Addis Ababa he met with Prime Minister Meles Zenawi and four religious leaders, just back from Oslo where they had met with their Eritrean counterparts in a conference organised by the Norwegian churches. Lake then left for Asmara for talks with the Eritrean leadership before returning to Washington via Addis Ababa. He is expected to return to the region again before the end of November.

Humanitarian Situation

In general, the response of the federal government and regional authorities in Tigray to meeting the needs of people displaced by the initial hostilities in May and June has been adequate and appropriate. In line with standing policy, overall no relief camps were formed and the majority of the displaced have been accommodated with host communities away from the immediate conflict zone. Of the 166,000 displaced (according to the Federal Disaster Prevention and Preparedness Commission in September) the majority are located in Adigrat (where the original population of 40,000 is said to have doubled), Adwa, Axum, Enda Sellasie and Mekele. According to a recent UN mission to the area, while any change in the current situation could quickly give rise to new relief needs, for the moment the priority appeared to be for school materials, reflecting the importance being given to ensuring a degree of normality for the displaced children despite their difficult circumstances.

Tensions rose along the northern border towards the end of October. On October 21, an Eritrean artillery attack was launched on the town of Shiraro, which is about 6 kilometers from the front line. The attack, associated with other skirmishing in the area, led to the evacuation of the town to two locations, Adi Hagary and Zebea Gedena, some 68 kilometers and 40 kilometers from Enda Sellasie respectively. According to reports, a total of around 18,000 people were evacuated. On November 5, skirmishing around Humera also led to the evacuation of the civilian population from the area to three locations, Dencha, Mikadera and Barkidar, each some 50 - 60 kilometers away from the danger zone. The total population evacuated may be as high as 30,000. The hospital at Humera has been relocated to Dencha and Mikadera.

With the Ethiopian government reporting in the media almost daily artillery fire along the border, there are rising concerns that further serious fighting might lead to a substantial increase in the number of people displaced. With the existing host communities unlikely to be able to absorb additional displaced people, and facing the possibility of coming under fire themselves, there are also concerns that any new wave of displacement will be associated with the formation of relief camps.

AGRICULTURE, WEATHER AND PESTS

General News

More than 21,000 kilometers of terraces have been built in South Tigray Zone through the efforts of the community, according to the zonal department of agriculture. The work had been supported through a food-for-work programme jointly organised by the Relief Society of Tigray and the Ethiopian Orthodox Church.

Meanwhile, 20 million birr (US \$2.75 million) worth of water projects are planned for the Southern People's region according to the South Water Works Construction Authority. More than 140,000 people are expected to benefit from the project which involves sinking 29 wells in five zones and three special districts. In related news, the draft proclamation providing for the establishment of the Awash Basin Water Resource Administration Agency was presented at a public hearing organised recently by the House of People's Representatives. The document disclosed that illicit irrigation activities expanding along the basin are causing water wastage, pollution, salinity problems and hindering the Awash Basin Irrigation Development Supervision Center from collecting fees for its services and constructing additional dams along the river. The document called for the establishment of an agency to see to the proper resource utilisation in the basin.

The US Government through USAID has signed a grant agreement to provide US \$1 million for a programme to safely dispose of obsolete pesticides in Ethiopia. The grant, which will run through December 31, 2000, was given to the UN Food and Agriculture Organisation (FAO) for implementation. According to a press statement from the US Information Service, the grant represents the US Government's contribution to support Ethiopia's efforts to dispose of obsolete pesticides in an environmentally sound manner and in accordance with international conventions on hazardous waste.

The Ministry of Economic Development and Co-operation (MEDaC) has predicted that Ethiopia's total agricultural production will show a ten percent rise in the current crop year. This rise has been attributed to favourable weather conditions. Agriculture accounts for 50 percent of Ethiopia's GDP, 90 percent of the country's export earnings and 85 percent of total employment.

Finally, Addis Ababa University has been selected as a post-graduate entomology study centre for East Africa. The AAU was selected from among other universities in Sudan, Kenya, Uganda and Tanzania and will be instrumental in fighting human diseases caused by insects.

Weather

Though dry conditions prevailed over much of the country at the end of September, apparently heralding the season withdrawal of the *kiremt* (main) rains, wet conditions again became established over much of the central, western and northern highlands from the first dekad of October. The return of the wet weather was associated with a delay in the normal southerly drift of the Inter-Tropical Convergence Zone (ITCZ) at this time of the year. With the increase in rain activity over Tigray and northern parts of Amhara regions, there were initially concerns that this could have a negative impact on maturing crops. During the second dekad, however, rainfall activity began to withdraw towards the western and eastern highlands, allowing the commencement of harvesting in most northern areas of the country.

With the late withdrawal of the ITCZ, some areas, including the southern and south-eastern margins of Oromiya, parts of eastern Amhara and most parts of the Somali region have received below normal rainfall as compared to the average over the past five years. For the southern lowlands, the short rainy season normally comes during October-November as the ITCZ withdraws to the south. Ahead of the long dry season, these areas rely on the rains at this time for the replenishment of pastures and surface water resources. As a of the beginning of November, these southerly, mainly pastoral areas, were reported as becoming cloudy with some scattered light showers.

Meher prospects generally good

Starting in the last week of October, the annual *meher* pre-harvest crop assessment took place in the major cropping areas of the country. Under the leadership of the federal Disaster Prevention and Preparedness Commission (DPPC) and with the participation of international agencies, twelve teams went to the field to assess the situation during three weeks at zonal and at wereda level. While the assessment was scheduled to be concluded by mid-November, some participants had returned earlier to the capital allowing them to report on preliminary findings. Prior to this multilateral crop assessment, some agencies had conducted their own independent field studies. The DPPC is expected to release the results of the assessments to the UN and donor community in early December.

Tigray expecting "best harvest in ten years"

As early as the end of September, the Tigray Bureau of Agriculture and Natural Resources was saying that the region was anticipating "the best harvest of the last ten years". This summary outlook, reflected in a brief report by the Emergencies Unit for Ethiopia (UNDP-EUE) issued on 12 October ("*Meher prospects in Tigray and Welo: good harvests anticipated*"; Mission 20 – 30 September 1998) has been largely confirmed by participants of a team covering East and South Tigray zones during the DPPC crop assessment mentioned above. The long season *kiremt* rains were very favourable this year in both amount and distribution. This, combined with the expansion of the agriculture extension programme and the absence of major pest-infestations and crop diseases leads to clearly positive production prospects. Compared to the current year, a significant reduction of regular relief beneficiaries is to be expected in Tigray next year. The positive production outlook is also confirmed by the *October report of SCF/UK's Nutritional Surveillance Programme (NSP)*. Among other issues, however, the NSP report highlights a decline of the daily labour rate following the Ethiopian-Eritrean border conflict, while the nutritional status is at a "satisfactory level and stable since March".

Good expectations also in Southern Region

According to preliminary findings of the crop assessment team visiting North Omo and other parts of Southern Region, the major production areas in the south of Ethiopia are also expecting a good harvest this year. Adequate rains (also confirmed by the October *SCF/UK NSP Report for Wolayita*) and the expansion of extension programmes created favourable cropping conditions leading to production prospects which are likely to be significantly better than last year. Consequently, the Southern Peoples' Region is unlikely to require relief food support at all next year.

Hararghe anticipates poor harvest

Despite localised water-logging and crop-stunting, early reports from North and South Welo reflected overall a rather encouraging production image. By contrast, the situation in Hararghe (north-east Oromyia Region), is rather bleak. According to a DPPC-led assessment team, both West and particularly East Hararghe are likely to be the least productive cropping areas country-wide during the current *meher* main season. Too late and too little rains led to significant yield reductions over last year increasing further the numbers of beneficiaries requiring relief intervention. A recent UNDP-EUE mission also concluded (see section on "Special Reports" below) that after a poor 1997/98 *meher* season and a failed 1998 *belg* season, the current 1998/99 *meher* leaves little hope for improved food security. In recent months, some of the worst affected weredas in East Hararghe (Fedis, Gursum, Babile) saw an out-migration unprecedented in recent history, due largely to food stress.

FAO/WFP Crop and Food Supply Assessment mission

Another tool to assess the production of the current *meher* season and subsequently the preliminary food relief needs of the country in the coming year is the "1998 Joint FAO/WFP Crop and Food Supply Assessment Mission". After arrival of FAO mission members from Rome in mid-November, the assessment is scheduled to take place during three weeks through to 5 December. According to the tentative programme four teams are due to cover the entire country, including pastoralist areas. Subsequently, the mission will issue a consolidated technical report on findings and recommendations. With a generally good harvest in prospect, the teams are expected to pay particular attention to the possibility of a significant marketable surplus being available next year.

Migratory pests

The situation regarding migratory pests remains calm. However, following the excellent *kiremt* (main) rains this year, vegetation cover and soil moisture conditions are considered very favourable for a possible upsurge in Desert Locust activity. Winter breeding along the Red Sea coast, northern Somalia and central Sudan could become an important feature in the coming months requiring active surveillance and control measures. Due to current tensions between Sudan and Eritrea over their common border, surveillance of one of the principle breeding areas for Desert Locust in the region, the Tokar Delta in eastern Sudan, may prove to be problematic. Similarly, if there is extensive breeding along the Red Sea coast, preventing swarms from migrating south in the new year may become difficult if hostilities between Ethiopia and Eritrea prevent monitoring and control operations along the border area between the two countries. Meanwhile, the director of the Desert Locust Control Organisation (DLCO), headquartered in Addis Ababa, has said that despite serious budgetary constraints the organisation is ready to meet the threat and has 20 experts, two aircraft and insecticides available.

Fertiliser

According to the National Fertiliser Industry Agency (NFIA), out of a total of 348,429 tons distributed this year to different regions by fertiliser importers/distributors, as of August 31 total sales of 279,685 tons had

been reported. Of this amount, DAP comprised 192,043 tons and Urea 87,642 tons. The regional share of sales is given in Table I over the page.

Compared to sales of 206,294 tons last year, this years fertiliser sales are up by around 35 percent. As in previous years, the bulk of fertiliser has been sold to the traditionally surplus producing areas of Oromiya, Amhara regions and the Southern Peoples' region with other areas following some distance behind in tonnage terms. Interestingly, there appear to be signs that farmers are beginning to switch from DAP to Urea. This year, 31 percent of all sales were of Urea, compared to 22 percent last year. This is considered to be at least partly due to the increasing popularity of the extension package programme. The increase is just under the government's projected annual increment for Urea sales which were set earlier this year at 11 percent per annum.

Table I: Total Fertiliser Sales as of 31 August, 1998 (Tons)

Region	DAP	UREA	TOTAL SALES	% Share
Tigray	8,138	6,438	14,576	5.2
Amhara	46,464	23,399	69,863	25
Oromiya	95,735	36,333	132,068	47.2
SNNPR	29,822	9,855	39,677	14.2
Others	11,884	11,617	23,501	8.4
TOTALS	192,043	87,642	279,685	

Source: NFIA

A number of shipments of fertiliser for 1999 have already been scheduled. These include 50,000 tons in January, 75,000 tons in February, and 50,000 tons each for March through May. All shipments are presently expected to unload in Djibouti and there are concerns that congestion may result in delays in discharging vessels and delivering the fertiliser up-country.

Meanwhile, at the third annual fertiliser workshop held on October 27, it was forecast that 419,000 tons of fertiliser would be needed for the coming year. At the workshop, the Vice-Minister of Agriculture, Getachew Tekele-Medhin noted that it was necessary to ensure fertiliser was available to farmers at affordable prices and that private importers had to play a vital role in this regard. The reasons for the low fertiliser consumption in the country, on average 6 kilogrammes per hectare, were given as inadequate extension services, poor infrastructure, farming systems, credit problems, lack of distribution network and weak farmer organisations.

FOOD AID AND LOGISTICS

Food aid pledges and shipments

The United States recently announced its provision of 60,000 tons of wheat grain in support of World Food Programme activities in Ethiopia. The donation will be used to support both emergency and development programmes. The grain will be distributed to victims of crop failure, and to refugees within Ethiopia. The new Director of WFP in Ethiopia, Ms. Judith Lewis, said the contribution to the refugee programme, in particular, was important since it would enable WFP to guarantee an uninterrupted flow of food to the various refugee camps in the east, west and south of the country. "The food will also facilitate the timely repatriation of refugees that is being undertaken in the Somali camps," she added. Since 1991, the US has annually contributed about 20 percent of all WFP/Ethiopia food aid, for a total of 361,900 metric tons in the past seven years.

EuronAid presently has food aid shipments amounting to around 68,000 tons expected in the coming months. Subject to final discussions between Brussels and WFP headquarters in Rome, these shipments are expected to be handled through the WFP "Food Aid Transportation System" (FATS), which will include all arrangements for the port handling and road transportation of the cargo.

Following very low food aid arrivals in September (around 5,000 tons), shipments picked up significantly during October with recorded arrivals in Djibouti of 76,769 tons. The rate of arrivals is also expected to continue rising with around 90,000 tons tentatively scheduled for Djibouti in November, 110,000 tons in December, and a similar tonnage in January. Though the major deliveries of fertiliser (not included here) have been put back on average by one month, the increasing volume of goods arriving at the port will be placing considerable pressure on its facilities.

As of November 3, a total of 363,563 tons of both relief and regular food aid had been delivered, including 147,372 tons in 1997 pledges carried-over to this year. In terms of current year's pledges, deliveries remain low at 43 percent of total commitments. Of deliveries made this year, approximately 70,000 tons of food aid (including 11,000 tons belonging to WFP and some 40,000 tons of USAID sorghum and wheat) were still in the port of Assab awaiting clearance and transport up-country in May when the conflict with Eritrea effectively blocked access.

Table II: Pledges against 1998 Food Aid Requirements - Cereals & Pulses

	Relief	Regular	EFSR	TOTAL
<u>1998 pledges</u>				
USA	139,736	23,720	-	163,456
EC	44,350	31,994	50,000	126,344
WFP	60,000	37,891	-	97,891
Sweden	31,000	-	-	31,000
Germany	3,718	19,488	-	23,206
UK	18,792	-	-	18,792
Canada	1,000	11,765	-	12,765
Denmark	740	900	-	1,950
Norway	1,950	-	-	1,950
Netherlands	10,000	-	-	10,000
TOTAL	311,286	125,758	50,000	487,044
Deliveries as of 03/11/98	165,092	43,189	-	208,281

Source: WFP (3 November 1989)

With a good main season harvest in prospect, the outlook for a substantial increase in local purchases in the coming year is considered favourable. There are, however, certain constraints that will need to be taken into account. These include, a relative shortage of transport due to the increase in importations expected over the coming four to six months, and a low import parity price relative to world market prices for cereals (prices in Ethiopia are presently 60 to 70 percent higher than the parity price although these may come down once the harvest is completed). Even given these potential constraints, however, it is felt that the three main traditional buyers (WFP, European Union and EuronAid) should be able to purchase in excess of 100,000 tons of grain.

Port operations and logistics

As of November 4, around 22,000 tons of food aid (wheat) was under discharge at Djibouti port. With all berths occupied, the vessel, MS Liberty Wave, was being off-loaded by daughter vessels (lighters). Though a new arrangement, the use of lighters appeared to be working well, according to the UN World Food Programme.

WFP say the main constraint to the efficient operation of the food aid delivery chain at present is the rate at which vessels can offload at the port. With only two and one half bulk cargo berths available (one half of berth #13 due to the position of a warehouse which limits the room available on the quay for direct discharge to trucks), current handling capacity at the port is limited.

The importance of maximising the rate at which vessels can discharge their cargo and therefore minimise the time spent at the berth is emphasised. WFP and the port authority are therefore promoting a mixed-mode approach to receiving cargo, with vessels discharging both directly to trucks bound for Ethiopia and into transit warehouses at the port and in the town (maximum capacity currently around 16,000 tons). Other operators, however, argue that they have had excellent results employing a system of direct delivery, adding

that this places the emphasis on the rapid delivery of the food supplies to beneficiaries. With a recent shipment of USAID grain, discharge rates of up to 2,000 tons a day were achieved through direct delivery. Despite the differences of opinion, all operators agree that it is important to share experience and adopt an adaptive approach to meet the challenge of the coming three to four months when a significant increase in shipments of food aid and other cargo is expected at Djibouti.

The Commissioner of the DPPC, Mr. Simon Mechale, visited Djibouti port from October 23 to 26 to see the operations there at first-hand. Meetings took place with the port authorities with discussions focussing on ways to improve the efficiency of cargo handling. The need for proper planning was noted, especially with regard to the increase in shipments expected in the coming months. WFP, donors, NGOs were all urged to schedule shipments carefully to avoid delays in berthing. The need to speed the discharge of vessels was discussed, and though the option of combined deliveries was examined, the Commissioner indicated that the DPPC presently prefers to employ direct deliveries wherever possible.

The challenge of efficiently handling incoming goods in order to avoid the looming possibility of port congestion in the coming months is being taken very seriously by the Ethiopian Government. A high-level committee under the chairmanship of the Vice Prime Minister has been formed with representation from the Ministry of Transport and Communications, to look at the issue and prepare a comprehensive plan. Importers, donors and operators are being canvassed for information on what shipments they are expecting and their logistic requirements. The data collected will be used to formulate a plan which will help ensure the most efficient use of the resources presently available in terms of port facilities, warehousing and transport.

WFP report that they hope soon to sign an agreement with the railway company guaranteeing a minimum delivery of 4,000 tons of food aid each month to Dire Dawa from Djibouti. As there is no rail spur to the two main bulk cargo berths currently in use, the shuttling by truck of cargo to the railhead is necessary and may cause a bottleneck. If the operation goes as planned, the option of using the Ethio-Djibouti railway, despite the old rolling stock and slow turn-around time, could be significantly cheaper than the use of trucks.

Movements along the important Eli Dar, or northern route, from Djibouti to Ethiopia were disrupted for some time following a serious incident some 40 kilometers inside Djibouti territory on October 31. Sometime during the evening a group of armed men stopped a group of trucks and fired upon a tanker which exploded killing the driver and seriously injuring one other person. Though the road was quickly re-opened, movement along this sector of the road after dark has fallen considerably. Meanwhile, WFP report food aid dispatches by road from Djibouti averaged 1,440 tons per day for the whole of October, rising to an average of 1,875 tons per day for the last week of the month.

Emergency Food Security Reserve status

Despite a number of repayments completed in the past two months, the physical holdings of the Emergency Food Security Reserve remain at a minimum level. As of November 3, total physical stocks were 109,016 tons with some 34,522 tons committed and awaiting withdrawal. On a basis of a notional stock of 307,000 tons (which includes the undelivered 1997 EU pledge of 24,000 tons), total loans withdrawn and currently outstanding of this date was 163,462 tons.

The major borrowers from the reserve are the NGOs at over 100,000 tons, the DPPC at just under 50,000 tons, and WFP for the balance. Out of the nine locations around the country where the EFSR maintain stores, by far the largest stocks at present are at Kombolcha (around 35,000 tons), Nazereth (around 16,000 tons) and Dire Dawa (19,000 tons). Discussions are taking place for the further withdrawal of stocks for the north from Dire Dawa, to create space for repayments due for shipment through Djibouti/Berbera.

The EFSR board have recently considered the recommendations of consultants concerning the long-outstanding issue of exchange ratios between different grains held by the reserve. Though it had been originally intended that the reserve would handle only hard wheat, in practice many organisations granted loans have preferred to make repayments in maize and sorghum. Though the study had come up with fixed

percentage proportions for the grain mix and ratios for exchange of various grains, the board decided not to bring the recommendations into force at the present time due to the difficulties which may arise in implementing both the proposed mix and exchange ratios. The board has instead reiterated the principle that grains should be repaid, as far as possible, in the same type of grain loaned out. When this is not possible, decisions will be made regarding repayment in another type of grain, on a case by case basis, and in a one to one ratio.

Special Reports

The situation of displaced people in Tigray

After having visited the region from 21 to 29 September, UNDP-EUE issued, on 12 October, the *“Report on a Rapid Assessment Mission to Tigray Region”*. The mission met with regional authorities in Mekele and went subsequently to the field to cover the areas of Adigrat, Adwa, Axum, Shire and Shiraro. Based on the findings in the field, there were, by end September and early October, no major gaps in addressing the needs of the displaced people. While overall, authorities seemed to be well in control of the humanitarian situation including food needs, locally school materials for the just started school year were mentioned as one of the priority needs. By the time of the mission’s visit the numbers of conflict affected people in Tigray had not significantly changed compared to the situation in June, when a UN inter-agency-assessment took place. Official figures indicated for Tigray Region as of end of September a total of 166,309 internally displaced people and additionally 10,983 Ethiopians returned from Eritrea (grand total 177,291).

Another issue highlighted by the mission was a possible *future scenario* of many more displaced people with consequently increased relief needs both in the food and non-food sectors. As stated by regional authorities, a future scenario might, depending on the possible resumption and magnitude of open hostilities, lead to a new situation with a total number of 350,000 to 500,000 displaced in the region. For such a situation, the humanitarian needs would have to be reviewed in light of an increased resource mobilisation for relief intervention. Meanwhile, the United Nations Country Team for Ethiopia has prepared a draft contingency plan that takes into account – as a *planning figure* - the needs of 500,000 conflict affected people in total (Tigray and Afar Regions combined). Lately, informal reports indicate that due to populations movements out of the towns of Shiraro and Humera, the total numbers of displaced people in Tigray might have again increased.

Ethiopian nationals returning from Eritrea

Together with UNICEF, IOM and WFP, UNDP-EUE fielded a mission from 16 to 19 October to look into the assistance being provided to Ethiopian nationals returning from Eritrea. The respective report, entitled *“UN Inter-Agency Fact-Finding Mission to Afar and South Welo on Ethiopian Nationals Returning from Eritrea”* was issued by UNDP-EUE on 22 October. Observing the processing of “returnees” in Mille and Logyia (Afar Region) and Dessie (South Welo, Amhara Region), the mission concluded that despite some temporary bottlenecks, mainly in Dessie, overall there is an efficient mechanism in place to assist these people. All three transit camps visited have adequate health and sanitation facilities while returnees are, depending on transport availability, processed quickly in order to minimise the duration of stay in the camps. As of 22 October, the Federal Government had spent around 36 Million Birr to assist around 25,000 Ethiopian nationals who returned from Eritrea with cash and kind support packages and to provide the necessary processing structures. Concerning the issue of choosing the place of settlement, it remained unclear who ultimately chooses the final area of re-integration: is it the Federal Government by sending people to their places of origin or can the returnees themselves make this decision?

Food stress leads to migration in Eastern Hararghe

Significant food shortages and the absence of sufficient relief food led to very critical conditions by mid-year in the weredas of Fedis, Babile and Gursum of East Hararghe. As a mission conducted by UNDP-EUE from 19 to 27 October ascertained (Report: *“Food Shortages force Oromos of East Hararghe into Migration”, 12 November*), the magnitude of the problem developed such that severely affected people resorted to out-migration hoping to get food support in Jigjiga (Somali Region) and areas beyond. While official data on numbers were not available, the mission estimates that at the peak of the movement between 5,000 and 10,000 destitute Oromo people might have been involved in the migration. After hopes of free food distribution in the vicinity of refugee camps of Somali Region proved to be misplaced – most of the migrants were forced to make a living through begging – and after relief food again became in adequate amounts available in the food stress affected weredas of East Hararghe, recently numbers of the migrants have started to move back home.

Health and Nutrition

The Ethiopian Health Minister, Dr. Adem Ibrahim said that there is no shortage of drugs and medical equipment in the country. Dr. Adem noted that over 600 million birr (approximately US \$82 million) worth of medicines and medical equipment were imported into the country last year. He further stated that implementation of the national health and drug policies and increased participation of entrepreneurs in the sector have contributed markedly to the improved supply.

Dr. Adem Ibrahim has also announced that the World Bank and the African Development Bank have endorsed the five-year health sectoral programme aimed at improving the country's health services. The two development banks have agreed to loan Ethiopia US \$100 million and US \$30 million respectively, while the government itself has allocated a budget of 5 billion birr (approximately US \$680 million) for the programme. Dr. Adem disclosed that other donors were also interested in assisting the health programme, which is expected to raise the current health coverage by ten percent. According to Dr. Adem, fifty percent of the funds necessary for the execution of the programme will come from the government and the public.

REFUGEES AND RETURNEES

The UNHCR assisted voluntary repatriation programme for Somali refugees from camps in the Ethiopian Somali Region to Northwest Somalia ("Somaliland") continues to progress. Repatriation statistics indicate that during September a total of 8,689 individuals were repatriated in six convoys from Teferi Ber to Dilla, Gabiley, Borama and Hargeisa in "Somaliland". This brings the total repatriated in 1997/98 to 50,565. It is expected that a further 20,000 to 30,000 will be repatriated during the last quarter of 1998 and a further 90,000 in 1999. The Somali returnees are provided with a re-integration package of nine months food ration per person, a US \$30 travel allowance, and some non-food items such as plastic sheets, Jerry cans and blankets.

Meanwhile, the Washington-based organisation, Refugees International released on 10 November a report entitled "Refugee repatriation threatens stability in Somaliland". The article claims that the "Somaliland situation illuminates the gap between relief and development so often found in repatriation situations". The organisation criticises the UNHCR plan to close seven refugee camps in the Ethiopian Somali Region as "ambitious", because "UNHCR and other emergency and relief agencies have neither the mandate nor the funding to provide for real development assistance". According to Refugees International, "Somaliland" is facing "the challenge of a large repatriation of refugees from Ethiopia just when there is a downturn in the economy". Pointing at the "prospect of sprawling urban ghettos" inflated by returnees, the article highlights an apparent gap between "official figures" and "genuine returnees", stating that actually only half of the officially repatriated people settle eventually in their areas of re-integration. Among other recommendations, Refugee International suggests that UNHCR revise its repatriation strategy to delay planned repatriations to Hargeisa until "at least mid-1999" and that UNDP be provided adequate funding to address the needed longer-term development projects in the current transitional stage with a projected repatriation schedule in mind".

Refugee Statistics (as of 30 September 1998)

West (Sudanese)

Bonga 12,662
 Fugnido 23,704
 Dimma 7,881
 Shirkole 14,585

Sub-total **58,832**

South-east (Somalis)

Dolo Odo 5,000
 Dolo Bay 1,200
 Suftu 1,800

Sub-total **8,000**

North-east (Djiboutians)

Afar Region **3,000**

East (Somalis)

Hartisheik (A & B) 31,389
 Aisha 15,290
 Kebribeyah 11,583
 Teferiber 36,331
 Derwenaji 29,694
 Camaboker 28,590
 Rabasso 16,814
 Daror 33,985

Sub-total **203,631**

South (Kenyans)

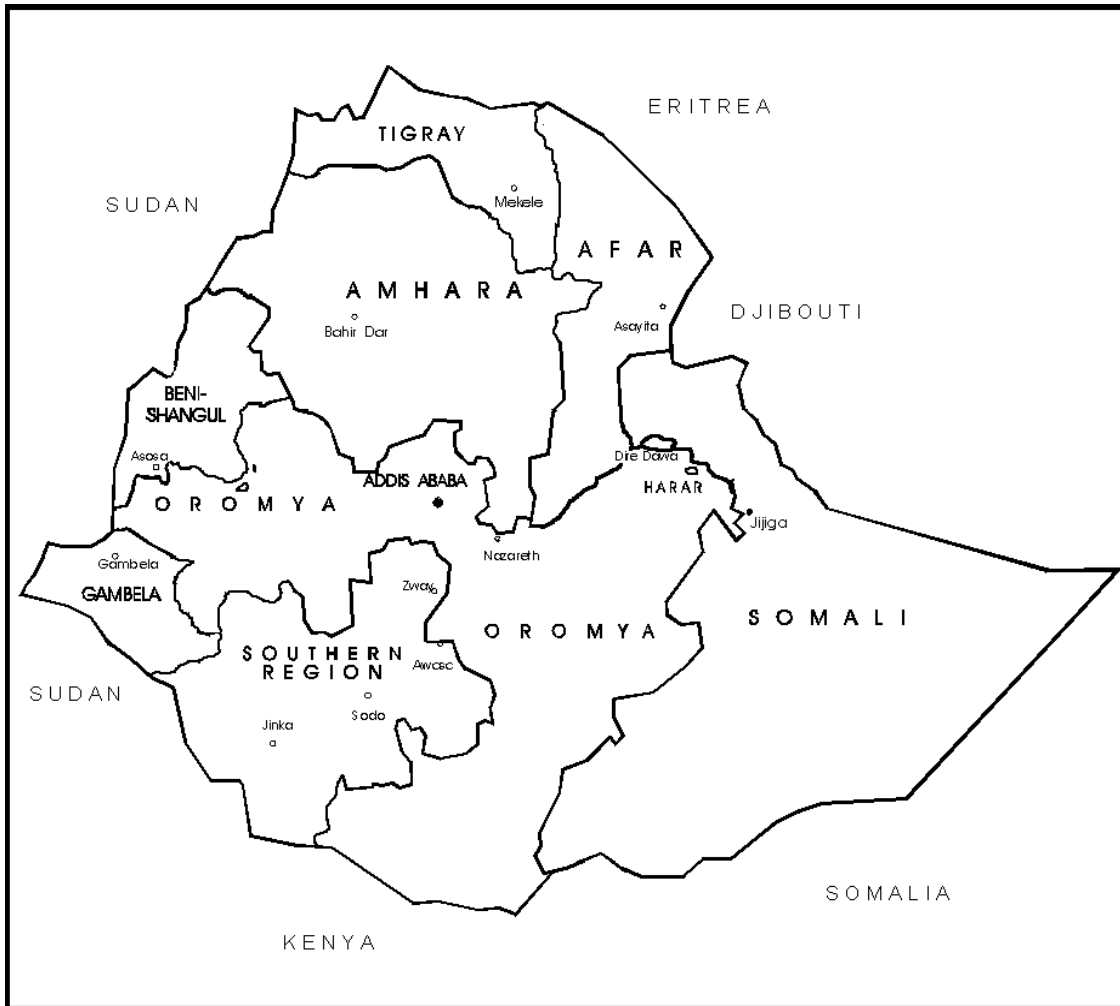
Moyale/Dokisso **8,270**

Addis Ababa

Urban refugees **524**

GRAND TOTAL 282,257

Administrative Map of Ethiopia



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SOURCES:

UNDP-EUE field reports; CARE; Disaster Prevention and Preparedness Commission (DPPC); European Union; FAO; FEWS; National Meteorological Services Agency (NMSA); Administration for Refugee and Returnee Affairs (ARRA); SCF (UK); UNICEF; UNHCR; WHO. Also media sources: The Ethiopian Herald; AFP; Walta Information Centre; ENA.

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