

AFRICA RISK CONSULTING

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Ethiopia Summary 25 October 2022

Conflict continues to escalate in the Tigray region, with Ethiopian government forces seizing a number of towns from the control of the Tigray People's Liberation Front. Tensions have ratcheted up between the Ethiopian government and the international community with the latter increasing pressure on the warring parties to end the conflict. The government continues to employ air raids during the renewed conflict, with dire consequences for the Tigrayan population. In a positive development, both parties confirm that they will participate in peace talks set to take place in South Africa beginning on 24 October. Against the backdrop of the Tigray conflict, long-standing tensions between armed groups in the neighbouring regions of Amhara and Oromia continue, adding to the humanitarian toll. Ethiopia continues to face acute economic headwinds as stalled progress on securing a new agreement with the International Monetary Fund adds to its woes. The National Bank of Ethiopia (NBE) (central bank) introduces additional measures to manage the forex shortage in the country, posing a risk to the country's business environment. Kenya-headquartered telecoms firm Safaricom launches its communications network in Ethiopia, offering 2G, 3G and 4G mobile services in 11 cities, including Addis Ababa and the country's second largest city, Dire Dawa.

Tigray rebels and Ethiopian government agree to peace talks...

The resumption of hostilities in the northern region of **Tigray** between Tigray rebels, led by the **Tigray People's Liberation Front (TPLF)**, and **Ethiopian** government forces continues to take its toll, resulting in a large-scale humanitarian crisis. Conflict resumed on 24 August, ending a humanitarian truce that had been in place since 24 March (see *ARC Briefing Ethiopia Sep 2022*).¹ Both parties had agreed to the truce to allow for the delivery of humanitarian assistance and a return of basic services in Tigray ahead of negotiations to achieve an eventual ceasefire between the warring parties.²

The Ethiopian army confirmed on 18 October that it had captured three towns in Tigray: **Shire**, located northwest of **Mekelle**, as well as **Alamata**, and **Korem**, both the south of Mekelle.³ Shire, one of the largest towns in Tigray, has an airport and also hosts a large number of displaced people from the region.⁴ The government has also taken control of the cities of **Adwa** and **Axum**, dealing a major blow to the TPLF's position in the region and its ability to sustain the war.⁵

African Union (AU) chairperson **Moussa Faki Mahamat** on 16 October called for an "*immediate, unconditional ceasefire*" in Tigray, urging both parties to recommit to the AU-led peace talks to be convened in **South Africa**.⁶ On 7 October, multiple news sources reported that the talks were postponed due to "*logistical reasons*";⁷ however these were later rescheduled to take place on 24 October.⁸ However, continuing its offensive in Tigray, the Ethiopian government stated on 17 October that it would seize airports and other key infrastructure in Tigray, describing it as an "*imperative*"

¹ Africa News, 24 Aug 2022

² United States Department of State, 24 Aug 2022

³ France 24, 18 Oct 2022

⁴ Reuters, 18 Oct 2022

⁵ The Africa Report, 24 Oct 2022

⁶ African Union, 15 Oct 2022

⁷ Voice of America news, 7 Oct 2022

⁸ All Africa, 20 Oct 2022

move “necessitated not only by the repeated attacks of the TPLF but also by its active collusion with these hostile foreign powers”.⁹

The conflict has long been characterised by accusations from both sides of collusion with foreign nations to fight the war. On 20 September, **United States (US)** special envoy for the **Horn of Africa**, **Mike Hammer**, noted that the US was aware of and condemned the **Eritrean** forces crossing into Tigray.¹⁰ US government¹¹ and **European Union (EU)**¹² intelligence has found that the Eritrean government has periodically supported the Ethiopian forces in Tigray since the conflict began at the end of 2020, claims Eritrea initially denied.¹³ On 16 October, **United States Agency for International Development (USAID)** administrator **Samantha Power**, in a series of tweets, also named Eritrean forces as participants in the Tigray conflict.¹⁴ For its part, on 10 August, the Ethiopian government through national security adviser **Redwan Hussein**, named its downstream neighbours **Egypt** and **Sudan** as two foreign nations interfering in the war, through collusion with the Tigray rebels:

“There are foreign hands and Western interests seeking to tamper with the country’s security... This has been clear to us through the [Grand Ethiopian Renaissance Dam] GERD issue... We do not always have to provide evidence. We know everything.”¹⁵

Tensions continue to ratchet up between the Ethiopian government and the international community. On 17 October, Ethiopia’s federal government rebuked **United Nations (UN)** secretary general **Antonio Guterres** for his description of the war in Ethiopia as “spiralling out of control”. Ambassador **Taye Atske Selassie**, Ethiopia’s permanent representative to the UN, described Guterres’ comments as “unwarranted”. The government is preparing to host a public rally to drum up support for the war in Tigray and to denounce what it has termed “the politically motivated interference of some Western powers and international organisations.”¹⁶

In a positive development, Redwan confirmed on 20 October that the Ethiopian federal government would participate in peace talks set to take place in South Africa around 24 October.¹⁷ Former **Nigerian** president and current AU envoy **Olusegun Obasanjo** (1999-2007), South Africa’s former deputy president, **Phumzile Mlambo-Ngcuka**, and **Kenya**’s former president **Uhuru Kenyatta** (2013-2022) are set to lead the mediation. However, hinting at the mammoth task ahead of the delegation, owing to the deep-rooted tensions between the warring parties, Hussein stated:

“We are dismayed that some are bent on pre-empting the peace talks and spreading false allegations against the defensive measures.”¹⁸

An Ethiopian government statement confirmed on 24 October that a delegation of its negotiators had left for South Africa for the talks which it views as a means to “consolidate the improvement of the situation on the ground”.¹⁹ However, it also stated that the Ethiopian government forces continued to take control of “major urban centres” as part of its offensive in Tigray.²⁰ TPLF central committee member **Kindeya Gebrehiwot** confirmed the arrival of the Tigray negotiators in a Tweet on 23 October.²¹ By the evening of 24 October, the AU had not yet disclosed the agenda for the peace talks. However, deputy prime minister and minister of foreign affairs **Demeke Mekonnen** is chairing the Ethiopian government’s negotiation team whose members include justice minister **Gedion**

⁹ Al Jazeera, 17 Oct 2022

¹⁰ Reuters, 20 Sep 2022

¹¹ France 24, 23 Aug 2021

¹² Deutsche Welle, 20 Sep 2022

¹³ Barron’s, 5 Feb 2021

¹⁴ Twitter, 16 October 2022

¹⁵ Al-Monitor, 16 Feb 2022

¹⁶ Addis Standard, 21 Oct 2022

¹⁷ France 24, 20 Oct 2022

¹⁸ France 24, 20 Oct 2022

¹⁹ Le Monde, 24 Oct 2022

²⁰ Le Monde, 24 Oct 2022

²¹ Twitter, 23 Oct 2022

Timotheos, **National Intelligence and Security Service** director-general **Temesgen Tiruneh**, security advisor **Redwan Hussein**, and military intelligence chief Lieutenant-General **Berhanu Bekele**. The TPLF delegation includes spokesperson **Getachew Reda** and **Tigray Defense Forces** lieutenant-general and central command member **Tsadkan Gebretensae**.²²

The Ethiopian government continues to employ air raids during the renewed conflict, with dire consequences for the Tigrayan population. UN under-secretary general for humanitarian affairs **Martin Griffiths** tweeted on 15 October²³ that an airstrike in Shire on 14 October had killed two civilians and wounded several others.²⁴ On 25 September, the **Sudan-based Sudan Tribune** reported that debris from an airstrike in Shire had hit a **World Food Programme (WFP)** aid vehicle.²⁵ On 27 September, another airstrike targeting the town of **Adi Daero** in north-western Tigray injured 16 civilians and destroyed infrastructure.²⁶

The humanitarian impact of the war is significant. The UN cautioned in August that nearly half of the population in Tigray was in “severe” need of food aid as fighting had once again disrupted aid supply to the region.²⁷ **Belgium-based think tank International Crisis Group** on 21 October described the conflict as “among the world’s deadliest”. Speaking after a closed meeting of the **UN Security Council** in **New York (US)** on 21 October, ambassador to the UN **Linda Thomas-Greenfield** lamented the deaths of over half a million people since the onset of the conflict in Tigray, claiming that the scale of fighting and the loss of life rivals that seen in **Ukraine** following the start of the latter’s conflict with **Russia** in February. Thomas-Greenfield indicated that the US expects to take a much stronger stance against the parties to the war:

“The United States remains prepared to take appropriate measures against those who obstruct a resolution of this conflict, and we are determined to have those who commit human rights abuses held to account.”

... as conflict worsens in Amhara and Oromia

Long-standing tensions between armed groups in the neighbouring regions of **Amhara** and **Oromia** continue, with the loss of life and displacement of people in the two regions adding to the humanitarian challenges facing aid workers in Ethiopia. In July, the government attributed a spate of massacres of Amhara civilians in Oromia State to the **Oromo Liberation Army (OLA)**, classified as a terrorist group by the Ethiopian federal government since 2018. The OLA denied the claims, instead placing the blame on a militia group it claims the Ethiopian government had established (see *ARC Briefing Ethiopia July 2022*). An Ethiopian government crackdown on OLA fighters operating in the region does not appear to have quelled the fighting (see *ARC Briefing Ethiopia Aug 2022*).

The region has been beset by several attacks on civilians as well as reprisals by government forces. On 28 September, the **Ethiopian Human Rights Commission (EHRC)** reported that over 100 civilians had been killed by a range of Amhara militia, members of the OLA, state authorities and armed individuals in western Oromia’s **Horo Guduru Zone** over a three-week period.²⁸ On 12 October, unnamed assailants shot dead opposition **Oromo Liberation Front (OLF)** central committee member **Moibon Bekele** in **Addis Ababa**.²⁹ State security forces reportedly killed **Boru Roba**, a member of the OLA-affiliated **Karrayyu Gadaa** leadership, and abducted his relatives in **Fentalle, East Shewa Zone** of Oromia on 15 October.³⁰ US-based news outlet **Voice of America** reported on 22 October that **Fano** militants from the Amhara militia had killed at least 30 people in an attack on four villages

²² The East African, 25 Oct 2022

²³ Twitter, 15 Oct 2022

²⁴ Addis Standard, 14 Oct 2022

²⁵ Sudan Tribune, 25 Sep 2022

²⁶ Africa news, 30 Sep 2022

²⁷ Al Jazeera, 21 Aug 2022

²⁸ Addis Standard, 28 Sep 2022

²⁹ Addis Standard, 13 Oct 2022

³⁰ Addis Standard, 19 Oct 2022

(**Gudina Jiregna, Cheffe Soruma, Burka Soruma and Nachino**) in **Kiremu** district, in **East Wollega** zone of Oromia, on 15 October. The outlet quoted Kiremu district administrator **Fikadu Hunde** as the source of the information.³¹

Addis Standard reported on 13 October eyewitness accounts from residents of **East Hararghe** and **West Hararghe** in eastern Oromia, who claimed that the youth in these regions were being conscripted into the army, facing mass arrests and being abducted from checkpoints. Local authorities have denied these claims.³² However, the EHRC announced on 7 September that regional government forces in Oromia had killed over 60 people in Oromia from 29-31 August, in attacks targeting communities in the **Amuru** woreda in the **Horo-Gudru** administrative area (see *ARC Briefing Ethiopia Sep 2022*). The commission stated on 7 October that its staff in **Gambella** had received threats and intimidation owing to their release of the report.³³

Ethiopia battles economic woes as central bank moves to address forex crunch

Amid the continuing military conflict within its borders, Ethiopia faces strong economic headwinds, driven by several factors including the global fallout from Russia's special military operations in Ukraine, the resumption of conflict in Tigray,³⁴ and an acute drought across the Horn of Africa, the worst in 40 years.³⁵ The region's rainy season, from March to June, reported the lowest rainfall levels in 70 years, significantly impacting its agricultural output.³⁶ On 6 October, the **German** and **French** governments pledged support to transport and distribute 50,000 tons of wheat from Ukraine to Ethiopia and **Somalia**. Ethiopia benefited from grain imported from Ukraine by the UN **World Food Programme** in September (see *ARC Briefing Ethiopia Aug 2022*) after Ukraine's cabinet announced in September that it would provide the two **African** nations with \$11.4m worth of wheat.³⁷

The Ethiopian government has also confirmed that progress has stalled towards agreeing a programme with the **International Monetary Fund (IMF)**. After conducting an IMF staff visit to the country in June, IMF representatives were expected to visit again at an unannounced date (see *ARC Briefing Ethiopia Aug 2022*). However, finance minister **Eyob Tekalign Tolina** divulged on 15 October that the resumption of conflict in Tigray had caused the delays:

*"It's completely disappointing that it has stuck... We trusted the fund and we trusted G20 countries."*³⁸

Adding to Ethiopia's economic woes, a foreign currency crunch is hindering the development of its local industry. The forex shortage forced the **National Bank of Ethiopia (NBE)** (central bank) to introduce more stringent restrictions on foreign currency in September (see *ARC Briefing Ethiopia Aug 2022*). On 5 October, the NBE went a step further, freezing the bank accounts of over 391 people whom it accused of trading foreign currencies in the parallel market.³⁹ On 17 October, the bank ordered Ethiopia's banks not to provide forex to firms importing "non-priority goods" as it looks to shore up declining forex reserves. The list of 40 goods deemed non-essential includes alcohol, motor vehicles, perfumes and cigarettes.⁴⁰ The move poses a threat to the country's business sector, hampering firms' ability to import goods for resale to consumers.

On the upside, the Ethiopian government continues to explore opportunities for cooperation with international peers to boost trade prospects. **Jamal Beker Abdula**, Ethiopia's ambassador to **Pakistan**, stated on 22 October that the two countries would sign up to ten agreements for trade

³¹ Voice of America, 22 Oct 2022

³² Addis Standard, 13 Oct 2022

³³ Addis Standard, 7 Oct 2022

³⁴ Al Jazeera, 1 Jun 2022; Financial Times, 3 May 2022

³⁵ Al Jazeera, 1 Jun 2022; Financial Times, 3 May 2022

³⁶ Relief Web, 5 Aug 2022

³⁷ All Africa, 6 Oct 2022

³⁸ Reuters, 15 Oct 2022

³⁹ Telesur, 7 Oct 2022

⁴⁰ Africa News, 17 Oct 2022

promotion, defence cooperation, and technology transfer to promote economic exchange between their nations.⁴¹

Meanwhile, on 13 October, Kenya-headquartered telecom firm **Safaricom** launched its communications network in Ethiopia. Safaricom offers 2G, 3G and 4G mobile services in 11 cities, including Addis Ababa and the country's second largest city, **Dire Dawa**. It aims to expand this to a total of 25 cities by April to meet the 25% population coverage that is a condition of its operating licence. Safaricom is expected to invest \$8m in its local unit.⁴² The firm also received regulatory approval to launch its mobile money service, **M-Pesa**, in the country,⁴³ a move that is expected to promote financial inclusion in the country where few people have access to formal financial institutions and services.⁴⁴

Planner

Oct 2022 (**South Africa**) Peace talks between Ethiopian government and **Tigray People's Liberation Front** set to begin;

6 Feb 2023 (**Ethiopia**) National vote on referendum on creation of Ethiopia's 12th region

Chronology

24 Oct 2022 **Tigray (Ethiopia)** *The Africa Report*. France-based news journal **The Africa Report** reports that the Ethiopian government has taken control of the **Tigrayan** cities of **Adwa** and **Axum**;

22 Oct 2022 **Oromia (Ethiopia)** *Voice of America*. **United States (US)**-based news outlet **Voice of America** reports that **Fano** militants killed at least 30 people in an attack on four villages in **Kiremu** district, in the **East Wollega** zone of **Oromia**, on 15 October;

21 Oct 2022 **New York (United States)** *United Nations*. **United Nations (UN) Security Council** holds a closed-door meeting regarding the **Tigray** conflict in **Ethiopia** after which the **United States** ambassador to the UN, **Linda Thomas-Greenfield**, laments the deaths of over half a million people since the onset of the conflict;

21 Oct 2022 **Washington D.C. (United States)** *The Hill*. **United States (US)** President **Joseph Biden** administration designates **Ethiopia** for the Temporary Protected Status programme to allow the country's nationals to apply to work and live in the US owing to the **Tigray** conflict;

20 Oct 2022 **Addis Ababa (Ethiopia)** *France 24*. National security adviser **Redwan Hussein** confirms that the **Ethiopian** government will participate in peace talks set to take place in **South Africa**;

20 Oct 2022 **Mzimba (Malawi)** *Addis Standard*. Multiple **Malawian** media outlets report the discovery of a mass grave containing the bodies of 25 people, suspected to be migrant Ethiopian nationals, in **Mzimba** area, around 250km north of the capital of **Lilongwe**;

19 October **East Shewa Zone (Ethiopia)** *Addis Standard*. State security forces are reported to have killed **Boru Roba**, a member of the **Oromo Liberation Army (OLA)**-affiliated **Karrayyu Gadaa** leaders, and abducted his relatives in **Fentalle**, **East Shewa Zone** of **Oromia** on 15 October;

18 Oct 2022 **Tigray (Ethiopia)** *France 24*. The Ethiopian army confirms it has captured three towns in Tigray: **Shire**, **Alamata**, and **Korem**;

⁴¹ The Reporter, 22 Oct 2022

⁴² Vanilla Plus, 13 Oct 2022

⁴³ The East African, 6 Oct 2022

⁴⁴ World Bank, 18 Jun 2018

17 Oct 2022 **Cairo (Egypt)** *Arab News*. Egypt's President **Abdel Fattah El-Sisi** reiterates his country's commitment to work with the **Ethiopian** government to resolve the **Grand Ethiopian Renaissance Dam** crisis.

17 Oct 2022 **Addis Ababa (Ethiopia)** *Africa news*. The **National Bank of Ethiopia** (central bank) orders the country's banks not to provide forex to firms importing "non-priority goods", including alcohol, motor vehicles, perfumes, and cigarettes, as it looks to shore up declining forex reserves;

16 Oct 2022 **Addis Ababa (Ethiopia)** *African Union*. **African Union (AU)** chairperson **Moussa Faki Mahamat** releases a statement calling for an "immediate, unconditional ceasefire" in Tigray, and a commitment from the **Tigray People's Liberation Front (TPLF)** and the Ethiopian government to recommit to the AU-led peace talks to be convened in **South Africa**;

14 Oct 2022 **Addis Ababa (Ethiopia)** *CAJ News Africa*. **National Electoral Board of Ethiopia** announces it has set the date of 6 February 2023 for a national vote on a referendum on the creation of the country's 12th region;

14 Oct **Addis Ababa (Ethiopia)** *Addis Standard*. Ethiopia's deputy prime minister, **Demeke Mekonnen**, writes to the **Irish** government criticising the latter for its role in calling for an end to the **Tigray** conflict;

13 Oct 2022 **(Ethiopia)** *Vanilla Plus*. **Kenya**-headquartered telecom firm **Safaricom** launches its communications network in Ethiopia, offering 2G, 3G and 4G mobile services in 11 cities, including **Addis Ababa** and the country's second largest city **Dire Dawa**;

12 Oct 2022 **Addis Ababa (Ethiopia)** *Addis Standard*. Un-named assailants shoot and kill opposition **Oromo Liberation Front (OLF)** central committee member **Moibon Bekele** in Addis Ababa;

7 Oct 2022 **Nairobi (Kenya)** *Addis Standard*. **Kenya's** President **William Ruto** and **United States** Special Envoy for the **Horn of Africa**, **Mike Hammer**, discuss several issues including the return of peace to **Tigray**;

6 Oct 2022 **Addis Ababa (Ethiopia)** *The East African*. **Kenya's** President **William Ruto** arrives in Ethiopia on an official visit hosted by prime minister **Abiy Ahmed**;

6 Oct 2022 **Addis Ababa (Ethiopia)** *All Africa*. The **German** and **French** governments pledge support to transport and distribute 50,000 tons of wheat from **Ukraine** to Ethiopia and **Somalia** after Ukraine's cabinet announced in September that it would provide the two African nations with \$11.4m worth of wheat;

3 Oct 2022 **Tigray (Ethiopia)** *Africa News*. The **Tigray People's Liberation Front (TPLF)** confirms it is redeploying its troops from areas it occupies in **Amhara** to repel an offensive from Ethiopian government forces in **Tigray**;

28 Sep 2022 **Oromia (Ethiopia)** *Addis Standard*. The **Ethiopian Human Rights Commission** reports that militia, members of the **Oromo Liberation Army (OLA)**, state authorities and armed individuals in western Oromia's **Horo Guduru Zone** have killed over 100 civilians in **Amhara** over a three-week period;

28 Sep 2022 **Addis Ababa (Ethiopia)** *The East African*. **Somalia's** President **Hassan Sheikh Mohamud** begins an official visit to Ethiopia hosted by president **Abiy Ahmed**, with the two leaders agreeing to cooperate on security and sovereignty matters.

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