



MEMORANDUM N° 11/2011

04/02/2011

SUMMARY:

- ONE) – **ASHTON CALLS FOR QUICK RESPONSE TO UNREST IN EGYPT** – *Page 2*
- TWO) – **MOROCCO WARNS OF 'BIGGER RISKS' IN MAGHREB** – *Page 2*
- THREE) – **CROATIA WON'T JOIN EU BEFORE 2013** – *Page 3*
- FOUR) – **EU HUMANITARIAN AID NEEDS MORE FUNDING AND BETTER CO-ORDINATION** – *Page 4*
- FIVE) – **MERGER AGREEMENT FOR GTZ, DED AND INWENT SIGNED** – *Page 4*
- SIX) – **MEPS VOTE TO PUT AN END TO 'BANANA WAR'** – *Page 4*
- SEVEN) – **TUNISIA ARRESTS TV CHANNEL OWNER FOR "TREASON"** – *Page 5*
- EIGHT) – **NATIONAL EU DIPLOMACIES HAVE A ROLE AFTER EEAS, SAYS BELGIAN MINISTER** – *Page 5*
- NINE) – **NO PROGRESS IN WESTERN SAHARA TALKS** - *Page 6*
- TEN) – **WEST AFRICAN LEADERS MOVE TO STARVE GBAGBO OF FUNDS** - *Page 6*
- ELEVEN) – **GBAGBO DERIDES WEST AFRICAN 'BLUFFS'** - *Page 7*
- TWELVE) – **COCOA HITS 1-YEAR HIGH ON CALL FOR IVORIAN EXPORT BAN** - *Page 7*
- THIRTEEN) – **NIGERIA WANTS U.N. BACKING FOR MILITARY INTERVENTION IN IVORY COAST** – *Page 7*
- FOURTEEN) **EU'S ASHTON WOULD HAVE WANTED WIDER DEBATE ON CONGO CONSTITUTION CHANGES** – *Page 8*
- FIFTEEN) – **FAO CALLS FOR PRICE CURBS TO AVOID FOOD RIOTS** - *Page 8*
- SIXTEEN) - **IMF URGES RAPID APPRECIATION OF THE CHINESE YUAN** – *Page 9*
- SEVENTEEN) - **SUDAN'S BASHIR PLEDGES SUPPORT FOR INDEPENDENT SOUTH** – *Page 9*

ONE) – ASHTON CALLS FOR QUICK RESPONSE TO UNREST IN EGYPT

The Irish Times reports that the EU has intensified pressure on Egyptian president Hosni Mubarak, calling on him to respond "as quickly as possible" to the popular uprising against his regime.

The paper says the call was led by EU foreign affairs chief Catherine Ashton who, while stopping short of calling on Mubarak to stand down immediately, said Europe needed to see movement from him.

Ashton's remarks came as France, Britain and Germany reiterated their demands for a rapid transition to a new political leadership in Egypt.

However, the BBC reports that Ashton was heavily criticised by MEPs for failing to respond quickly enough to the crisis, during a debate in Brussels on Wednesday.

Liberal group leader in the European parliament, Guy Verhofstadt attacked Ashton's response to the unrest in Egypt saying the EU had "failed to give unreserved support to the protestors".

EU leaders are expected to take stock of the uprisings in Egypt and Tunisia during a summit meeting in Brussels on Friday.

TWO) – MOROCCO WARNS OF 'BIGGER RISKS' IN MAGHREB

Morocco's message to the EU in the context of unfolding revolutions in the region is a wider risk that a zone of unlawfulness stretching from the south of Algeria to the north of Mauritania to Mali and to Niger - a haven for AlQaeda - could expand, the Moroccan envoy to Brussels told in an exclusive interview.

Menouar Alem, ambassador of the Kingdom of Morocco to the EU, said his country was stable in the context of events that have followed the 'Jasmine Revolution' in Tunisia. He explained that Morocco had put in place a multi-party system, given workers freedom to unionise and enshrined people's right to protest. Moreover, he said that the country had a consistent policy of promoting women's rights, family planning and investing in human resources. As a result, the country had a birth rate comparable to Europe and no demographic explosion had taken place along the lines of elsewhere in the Maghreb.

The diplomat said many of his country's advances were a result of its commitment to EU values and its 40 years of relations with the European Union. He was quick to add that Morocco could become a "locomotive" which the EU could use to "pull the remaining wagons" in the region.

The ambassador said that the message his country was trying to convey to its EU interlocutors is that in the context of instability across the region following the 'Jasmine Revolution' in Tunisia, Morocco should not be excluded from the Western strategy of fighting terrorism in the Sahel.

40% of the cocaine in Europe comes from this region, Menouar Alem said. He explained that the drugs were coming by submarine from South Africa to Africa's western coast, after which they were channelled to Europe. A Kalashnikov rifle costs between 10 and 15 dollars in the region and trafficking, including in human beings, is booming, he said.

Europe has to act, and Europe has to figure out which country in the region, by force of its stability and by its shared political and strategic commitments, could be its partner, he said.

The Moroccan diplomat also said that although Europe was paying a heavy price of terrorism in the region in terms of kidnappings and assassinations, it was not yet playing a role and had not committed politically and strategically to fighting this global threat.

Alem described as "scandalous" the level of integration of the Maghreb region, where in his words borders are closed, populations do not meet and trade is almost non-existent. Europe, the region's most important partner, has a role to play in changing this situation, he said.

THREE) – CROATIA WON'T JOIN EU BEFORE 2013

Croatia will probably have to wait until 2013 or 2014 to become the next member of the EU, according to Hannes Swoboda, the European Parliament's rapporteur on the country's accession.

Background

Croatia is poised to be the first country to join the European Union since the accession of Romania and Bulgaria in 2007. It hopes to complete membership talks and sign an accession treaty by the end of the Hungarian Presidency on 30 June 2011. Ratification of the treaty by all EU member states would then see Croatia join the Union.

Croatia formally presented its EU membership application in February 2003. In April of the following year, the European Commission agreed to open accession negotiations.

The process was delayed in March 2005 when the EU questioned Croatia's cooperation with the International Criminal Tribunal for the Former Yugoslavia (ICTY). It was interrupted again in 2008 over a border dispute with Slovenia, which was resolved by arbitration and a [referendum in Slovenia](#).

Croatia should finish EU membership talks by June but the ratification process by member states would last until the end of 2012 – meaning that late 2013 is a realistic date of entry, the Austrian MEP, a member of the Socialists & Democrats group said this week.

He was addressing the Parliament's foreign affairs committee, which adopted a resolution on Wednesday (26 January) stating that membership negotiations can be concluded by the middle of this year.

This is provided that Croatia makes progress in the remaining negotiation chapters – notably strengthening the judiciary, fighting corruption and full cooperation with the International Criminal Tribunal for the former Yugoslavia (ICTY), the resolution states.

"If all goes well, a possible date for admission would be 1 January 2013. If a problem crops up somewhere, for example in the Dutch parliament, then we should work on making entry possible on 1 January 2014 so that Croatia could participate in elections for the European Parliament that year," said Swoboda, quoted by press agency Hina.

The current Dutch coalition lacks a majority on Croatia's accession and the previous government had blocked talks on judiciary reform until early last year, unhappy with the country's cooperation with the ICTY.

Hungarian President Viktor Orbán promised to make sure Croatia's accession talks are completed during his country's EU presidency, which ends in June.

Final hurdles

Croatia has now closed 25 of the EU's negotiation chapters, leaving [nine more areas](#) to be fulfilled. Together with judiciary and fundamental rights, competition policy represents the most difficult chapter.

In October, President Barroso [said](#) that the judiciary is a key test of Croatia's readiness to join the Union. Croatian Prime Minister Jadranka Kosor replied that she was "very optimistic" about closing both chapters.

In their resolution this week, MEPs praised the progress made so far in terms of corruption, noting recent prosecutions of a number of former ministers and state-owned CEOs.

They also called on the European Anti-Fraud Office (OLAF) to help Croatia's anti-corruption and organised crime office investigate claims that some EU officials in the country have taken bribes.

As for competition policy, the privatisation and restructuring of Croatia's struggling shipyards remains a big hurdle.

Yet Olgica Spevec, head of Croatia's competition agency, recently complained that while its investors have to prove their long-term sustainability, most EU shipyards today are unable to do so.

Whether Croatia joins in 2013 or 2014, Foreign Minister Gordan Jandrokovic stated that Croatia is ready and will not need a subsequent monitoring mechanism as was the case with Bulgaria and Romania, Hina reported.

FOUR) – EU HUMANITARIAN AID NEEDS MORE FUNDING AND BETTER CO-ORDINATION

The EU's humanitarian aid capability should be stepped up, by creating a European civil protection force, boosting funding and ensuring a clear division of labour between military and humanitarian bodies in crisis areas, says Parliament in a resolution voted on Tuesday. The recent tragedies in Haiti and Pakistan once again demonstrated that the effectiveness, speed, co-ordination and visibility of the EU's disaster response tools need to be improved. They also once again highlighted the need to create a European rapid reaction capacity, say MEPs, who call on the Commission to present a proposal to establish a European civil protection force, as advocated by Michel Barnier following the 2004 tsunami in south-east Asia. Optimising the existing Community Civil Protection mechanism, and using existing resources already available in Member States, should ensure that this initiative entails no major additional costs, they add. The resolution, drafted by Michèle Striffler (EPP, FR), discusses the implementation of the European Consensus on Humanitarian Aid, in the light of a growing number of complex crises (large numbers of displaced persons, violence among civilians, impact of climate change etc). MEPs call for more funding, to support the growing number of humanitarian operations. They also condemn the "politicisation of humanitarian aid", whereby national interests influence the choice to provide assistance. MEPs argue that this has dire consequences, aggravating the erosion of "humanitarian space", the zone of neutrality in an armed conflict. As international humanitarian law lacks visibility, MEPs ask the Commission to use additional funding to raise its profile

FIVE) – MERGER AGREEMENT FOR GTZ, DED AND INWENT SIGNED

On 16 December 2010, the merger of the governmental development organisations GTZ, DED and InWEnt into Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) was completed in Berlin. The merger agreement was ceremonially signed by the three organisations' managers. And German Development Minister Dirk Niebel and Ministry of Finance State Secretary Jörg Asmussen signed the Articles of Association for the new organisation, which will be 100 per cent owned by the German government. GIZ became operational on 1 January. It will combine the competency and long-standing experience of GTZ, DED and InWEnt. The new agency is active in more than 130 countries worldwide. It is headquartered in Bonn and Eschborn, and it is also represented in almost all German federal states. The agency has some 16,800 staff members

SIX) – MEPS VOTE TO PUT AN END TO 'BANANA WAR'

MEPs says a parliamentary vote in the Brussels plenary will put an end to the long lasting "banana war." They endorsed a deal which brings to an end a heated trade battle over bananas between the EU and Latin America.

Under the agreement on banana import tariffs, the EU will gradually end its preferential treatment of banana exporters in African, Caribbean and Pacific (ACP) countries.

In exchange, Latin American countries have agreed to drop their complaints against the EU at the WTO and not to seek further tariff cuts in the Doha round talks.

The EU will gradually cut its import tariff on bananas from Latin America in eight stages, from €176 a tonne at the outset to €114 in 2017.

Bananas from the ACP countries will on the other hand continue to enter the EU market duty free.

The main ACP banana-producing countries are to receive up to €200m cash help from the EU budget to help them adjust to stiffer competition from Latin America.

The outcome of the vote on Thursday was welcomed by MEPs, including S&D vice-president Véronique de Keyser, who said, "I am glad that parliament used its new powers granted by the Lisbon treaty to establish some conditions to this deal reached by the commission."

Her S&D colleague Francesca Balzani, author of the parliamentary report on the issue, said, "It was about time to end the longest standing trade disputes in the world.

"For 20 years the EU has been accused of violating trade rules by importing bananas from Africa, Caribbean and Pacific (ACP) countries without any levy while imposing heavy taxes on all other countries." Meanwhile, British ECR deputy Robert Sturdy, his group's international trade spokesman, said the deal was not perfect but it did end the ongoing acrimony between two of the world's largest trading blocks, and it ensured a softer landing for the ACP.

He said, "The EU needed to bring this ongoing trade dispute to an end. It was souring a trade relationship with emergent Latin American economies that will help to define the 21st century."

SEVEN) – TUNISIA ARRESTS TV CHANNEL OWNER FOR "TREASON"

Tunisia has arrested the owner of a private TV station as well as his son for "treason" for encouraging violence and working for ousted leader Zine al-Abidine Ben Ali's return, the state news agency said on Sunday. "The owner of Hannibal TV (Larbi Nasra), who is a relative of the former president's wife, is using the channel to abort the youth's revolution, spread confusion, incite strife and broadcast false information," a statement citing an authorised source said. "The aim is to create a constitutional vacuum, ruin stability and take the country into a vortex of violence that will bring back the dictatorship of the former president."

EIGHT) – NATIONAL EU DIPLOMACIES HAVE A ROLE AFTER EEAS, SAYS BELGIAN MINISTER

Le ministre démissionnaire des Affaires étrangères, Steven Vanackere, a fixé lundi les trois grands axes que devra, selon lui, suivre la diplomatie belge après la mise sur pied du service d'action extérieure de l'Union européenne, créé par le traité de Lisbonne, dans un contexte de mondialisation. Il s'agit de la diplomatie économique, afin de défendre les intérêts des entreprises belges sur les marchés étrangers - et plus particulièrement dans les pays émergents -, de l'assistance consulaire aux ressortissants belges et de la promotion des valeurs en vue de rendre le monde plus juste, a-t-il expliqué à quelque 130 ambassadeurs et chefs de poste rappelés à Bruxelles pour les "journées de contact diplomatiques" annuelles. Malgré le développement d'un [Service européen d'action extérieure](#), nous avons toujours incontestablement besoin d'une politique étrangère nationale, a souligné Vanackere (CD&V). "Une politique étrangère nationale reconnaissable reste cruciale pour notre opinion publique et la défense de nos intérêts", a souligné le chef de la diplomatie belge, un peu plus d'un an après son entrée en fonction. Selon lui, la diplomatie doit ainsi permettre de promouvoir les intérêts des entreprises belges dans le monde et insister sur le caractère attractif de la Belgique pour de nouveaux investisseurs étrangers. "Dans le contexte de lutte concurrentielle ininterrompue que se mènent respectivement pays et entreprises, le rôle de la diplomatie reste primordial, certainement dans les pays aux économies émergentes ou en développement, mais aussi auprès des pays BRIC (Brésil, Russie, Inde et Chine, auxquels se joindra prochainement l'Afrique du sud)", a ajouté M. Vanackere. "Nous travaillons dur pour améliorer nos relations bilatérales avec chacun de ces pays", a-t-il assuré en annonçant que les chefs d'Etat indien, brésilien et chinois -Avul Pakir Jainulabdeen Abdul Kalam, Dilma Rousseff et Hu Jintao- effectueraient une visite officielle en Belgique en 2011. Dans l'autre sens, les missions économiques se poursuivront auprès des "partenaires habituels", qu'ils soient transatlantiques, asiatiques, arabes ou latino-américains, tout en tenant compte de la présence croissante de l'économie du continent africain dans l'économie mondiale. Mais la diplomatie belge doit aussi jouer un rôle en matière consulaire notamment pour exercer un contrôle sur les migrations, a prévenu le ministre, en souhaitant également une amélioration de l'organisation des élections pour les ressortissants belges vivant à l'étranger par les ambassades. Les diplomates belges sont enfin invités à défendre "les valeurs et les principes que notre population juge importants dans la recherche d'un monde plus juste", selon l'expression de leur ministre, qui n'exclut pas de dialoguer avec des régimes peu démocratiques ou peu respectueux des droits de l'Homme.

NINE) – NO PROGRESS IN WESTERN SAHARA TALKS

Talks between Morocco and Western Sahara's independence movement inched forward on Sunday but there was no progress over the basic issue of the disputed territory's future status, a U.N. mediator said. Western Sahara, a former Spanish colony in northwest Africa, was invaded and annexed by Morocco in 1975, sparking a rebellion by the Polisario Front. The United Nations brokered a cease-fire in 1991, but no political settlement has followed. "Each party continues to reject the proposal of the other as a sole basis for future negotiations," mediator Christopher Ross said after two days of talks near New York City between Moroccan and Polisario officials -- their ninth round since 2007. Ross made a similar statement after previous rounds. Rabat is offering 'autonomy' as part of Morocco, but Polisario demands a referendum with full independence as one option. Neither side has been willing to back down. Western Sahara, a thinly populated desert tract about the size of Britain, has rich fishing grounds off its coast and reserves of phosphates, used to make fertilizer and detergent. It may also have oil and gas reserves. Many Saharans live in refugee camps in neighboring Algeria, which supports Polisario. Ross said that despite the deadlock, the two sides had discussed "innovative approaches to build a new dynamic ... on the basis of regular meetings." He said "both parties presented and discussed in a preliminary manner concrete ideas that will be developed at the next round," which diplomats said would be held in early March. No venue was announced, but most of the previous rounds have been held at a private estate in Manhasset on Long Island. Diplomats close to the talks, led for Morocco by Foreign Minister Taieb Fassi Fihri and for Polisario by Khatri Addu, said the ideas included a Moroccan proposal for discussion of Sahara's natural resources and a Polisario call to discuss human rights. Morocco is keen to rebut Polisario charges that it is exploiting Sahara's resources for itself. Polisario has pushed, so far unsuccessfully, for the mandate of peacekeepers of [the United Nations Mission for the Referendum in Western Sahara](#) to be expanded to investigate what it says are Moroccan human rights abuses against Saharans. Other suggestions included an exchange of political delegations between the two sides, the diplomats said, adding that the March meeting would seek to determine which ideas should actually be discussed. Ross said the two sides would also meet officials of the U.N. refugee agency in Geneva next month to seek to arrange family visits by road between Saharans in the territory's main city Laayoune and the camps in Algeria.

TEN) – WEST AFRICAN LEADERS MOVE TO STARVE GBAGBO OF FUNDS

West African presidents tightened the screws on Ivory Coast's Laurent Gbagbo, ridding him of an ally at the top of the regional central bank who had safeguarded his access to funds. World powers and African states have been pressing Gbagbo to cede power after a November presidential election that U.N.-certified results showed he lost to rival Alassane Ouattara, with the regional bank last month announcing it would no longer accept Gbagbo's signature. But the bank's governor, an Ivorian seen as close to Gbagbo, failed to impose the decision by the bank's ministers and will be replaced, the heads of state from West Africa's single-currency zone announced. "The conference is concerned about the impact of the non-application of (the ministers') decision on the stability of the economic, financial and monetary system of the union," they said after an emergency summit in Mali's capital. "The conference has taken note of the resignation of Mr. Philippe Henri Dacoury-Tabley from his post as Governor of the Central Bank of West African States," the leaders added in a declaration, adding the current vice-governor would take over until a permanent replacement is found. The declaration said Gbagbo's rival Ouattara, who has formed a parallel government in a hotel in Ivory Coast's main city, had been invited to propose a permanent replacement for the central bank governor role. Guillaume Soro, Ouattara's prime minister, said this would be done "quickly", without giving a timeframe. Ouattara says Gbagbo has tapped between 80 and 100 billion CFA francs (\$160-200 million) from Ivorian accounts at the bank despite regional recognition that Ouattara won the poll. **FRENCH SPAT** Meanwhile, a spokesman for Gbagbo's government announced on state television on Saturday that France's ambassador in the country was no longer accredited -- retaliation for French recognition of a Ouattara-nominated diplomat in Paris. The French government rejected the statement as "null and void, without any legal impact". The United States and the European Union have imposed sanctions on Gbagbo and his inner circle, while West African regional bloc ECOWAS and the African Union have said a military intervention is possible if other measures fail.

ELEVEN) – GBAGBO DERIDES WEST AFRICAN ‘BLUFFS’

Laurent Gbagbo will find ways to sidestep economic sanctions aimed at removing him from power, his government said on Sunday after West African leaders moved to sever his funds from the regional central bank. Spokesman Ahoua Don Mello, who also called threats of regional military intervention a "bluff", said the former French colonies new partners in Asia, Latin America and Africa would help it find alternative ways to deposit and access funds in order to maintain trade, tax collection and salary payments. After meetings in Mali this week, regional military leaders said they were ready implement a threat by West African body ECOWAS to oust Gbagbo by force. Analysts say that the logistical challenges of mounting such an operation would be considerable, even if the political decision is taken to do so. "It is bluff ... legally no foreign army can attack Ivory Coast," Don Mello said, warning that any such force would face the "hurricane" of the population if it came to the country. "Instead of bringing the tanks ... instead of counting the dead, let's count the ballot papers," he said, repeating Gbagbo's desire for a recount of votes to resolve the standoff.

TWELVE) – COCOA HITS 1-YEAR HIGH ON CALL FOR IVORIAN EXPORT BAN

Cocoa hit a one-year high on Monday after Ivory Coast's presidential claimant Alassane Ouattara, locked in a standoff against incumbent Laurent Gbagbo, urged a month-long ban on exports from the world's top producer. Dealers said prices were rising as the international market was thrown into turmoil on uncertainty over what Ouattara's call meant, given that Gbagbo controls the supply pipeline to ports. Liffe cocoa futures jumped over 7 percent to a 6-month peak of 2,269 pounds (\$3,616) per tonne. A European Commission source dealing with sanctions on Ivory Coast told Reuters the European Union's sanctions on Ivory Coast in the wake of the country's contested presidential election did not amount to a ban on cocoa exports. "The EU is applying targeted sanctions, in part aimed at avoiding negative consequences for the local population, so there is no embargo on trade," the source said. Dealers said that if exporters respect Ouattara's call for an export ban, there will be less availability of cocoa on the international market, which could bolster cocoa prices. **SEEKING CLARIFICATION** Two European cocoa industry associations said on Monday they were still seeking clarification of a call for a cocoa export ban by Ivory Coast's presidential claimant. Ouattara said in the statement on Sunday anyone contravening the ban would be liable to sanctions. "If it's enforced prices of cocoa will go through the roof," Gary Mead, analyst with the VM Group in London, said of Ouattara's call. "If he's serious, if they can enforce such a trade embargo, the disruption would be huge." But others were far more sanguine as they expected that beans would continue to flow despite the political backdrop. Romain Lathiere, a fund manager with Swiss-based Diapason Commodities Management, said: "In the end, the exporters are still going to be able to export. Cocoa will transit to Ghana, or other countries, and will still get out." ICE May cocoa jumped 2.4 percent or \$77 to \$3,250 per tonne at 0955 GMT, having earlier touched a one-year peak of \$3,340 per tonne. Liffe May cocoa was up 54 pounds or 2.6 percent to 2,168 pounds per tonne at 0956 GMT, having earlier touched a six-month high of 2,269 pounds per tonne. Gbagbo still controls the cocoa supply pipeline from Ivory Coast and was likely to do everything possible to facilitate exports in order to generate cash to pay the military and state workers. Cocoa market sources say exporters in Ivory Coast are becoming increasingly nervous and would not wish to risk sanctions or to alienate Ouattara.

THIRTEEN) – NIGERIA WANTS U.N. BACKING FOR MILITARY INTERVENTION IN IVORY COAST

Nigeria wants U.N. backing for military intervention in Ivory Coast to prevent it slipping into a civil war that could destabilise the West African region, Foreign Minister Odein Ajumogobia said on Monday. West African bloc ECOWAS, which has threatened the use of force in Ivory Coast to push incumbent Laurent Gbagbo from power, needs "unequivocal international support" through a U.N. Security Council resolution, Ajumogobia said. Gbagbo is locked in a power-struggle with rival Alassane Ouattara, who was declared winner of a Nov. 28 election by United Nations-certified results before they were overturned by a pro-Gbagbo legal body, which alleged fraud. "It is clear that Gbagbo is determined to defy and treat the entire international community with absolute disdain ... He cannot, he must not be allowed to prevail," Ajumogobia wrote in a strongly-worded column in Nigeria's This Day newspaper. "Gbagbo must be made to understand that there is a very real prospect of overwhelming military capability bearing down on him and his cohorts," he wrote. The United States and the European Union have imposed travel bans and other sanctions on Gbagbo and his inner circle but fellow West African nations will need to take a lead if there is to be any attempt to remove him by force, diplomats say. Britain has said it would give support at the United Nations for the use of force if West African

nations wanted it. Regional powerhouse Nigeria, whose President Goodluck Jonathan is the chairman of ECOWAS, would be key to any West African intervention as it would be likely to provide the troops and logistical backbone for an ECOWAS force. **NAVAL BLOCKADE** Ajumogobia said force did not necessarily mean an incursion into the former French colony, which supplies around a third of the world's cocoa through its main ports. "Legitimate force can include, for example, a naval blockade to enforce sanctions which might be imposed against Gbagbo," he wrote in the full-page column. He acknowledged there was not universal support for force. "Already Russia, at the level of the U.N. Security Council, and Ghana, at the ECOWAS regional level, have shown inclinations not to support a military incursion of any kind in Cote d'Ivoire (Ivory Coast)," he said. "This is unfortunate ... We cannot leave Ouattara to enforce the legitimate and internationally recognised mandate given to him by the people of Cote d'Ivoire. That would be to sanction civil war, against the very ethos of the U.N.," he said. He described as "helpful" offers of amnesty made by several world leaders to Gbagbo, as well as suggestions of prestigious international roles and pledges to safeguard his financial assets should he surrender, but noted Gbagbo had so far "scoffed at these generous proposals for a dignified exit". "The political crisis in Cote d'Ivoire is likely to disrupt the trend towards democracy in the sub region and create a dangerous precedent for a continent in which 20 presidential elections are to hold within the next 18 months," he wrote. "Consequently, the impunity of Gbagbo must be regarded as a challenge to the entire international community."

FOURTEEN) EU'S ASHTON WOULD HAVE WANTED WIDER DEBATE ON CONGO CONSTITUTION CHANGES

Le processus de révision de la Constitution congolaise, qui a conduit notamment au changement des règles de l'élection présidentielle ainsi que celles relatives aux équilibres institutionnels, aurait mérité un débat public plus large, a fait observer lundi la Haute représentante Catherine Ashton. Le parlement congolais vient, à dix mois de la présidentielle, de modifier la Constitution sur huit points, dont le mode de scrutin de cette élection. Le président congolais sera désormais élu à la majorité simple des suffrages exprimés et non plus à la majorité absolue au second tour. Malgré la réserve apportée par Mme Ashton au manque de débat sur ce sujet, "l'UE entend continuer à soutenir le dialogue entre Congolais de tous les partis, de la majorité comme de l'opposition ainsi qu'au sein la société civile", a souligné Mme Ashton dans un [communiqué](#). Elle insiste sur la responsabilité qui incombe aux autorités de la RDC d'assurer un processus électoral libre, régulier et pacifique, respectant les libertés d'expression, y inclus des médias ainsi que des conditions égales pour tous les candidats, qui leur permettront de faire campagne librement et en toute sécurité. L'UE invite également tous les partis politiques à s'engager pleinement et pacifiquement dans un processus démocratique ouvert. "Les changements du mode de scrutin présidentiel ont peu d'incidence financière", note-t-elle. Elle confirme qu'elle est prête à appuyer un processus devant mener à des élections démocratiques, crédibles et ouvertes à tous étant entendu que ses engagements seront revus à la lumière d'un nouveau budget électoral à établir.

FIFTEEN) – FAO CALLS FOR PRICE CURBS TO AVOID FOOD RIOTS

Rules are needed to curb speculation in surging commodity prices as the world heads towards a food crisis that threatens political instability, the head of the U.N.'s food agency said. The warning, in comments published in Japan's Nikkei business daily on Tuesday, echoed a call the previous day by Nicolas Sarkozy, who said the world risks food riots and weaker growth if global leaders fail to deal with volatile food prices. "Higher prices and volatility will continue in the next years if we fail to tackle the structural causes of imbalances in the international agricultural system," Director-General of [FAO](#) Jacques Diouf said in written comments to the Nikkei. It quoted him as saying the world may be on the verge of another major food crisis, with farm subsidies and tariffs playing a major role in distorting the global supply-demand balance. In a [report this month](#), the FAO said its global price index hit a record high in December, outstripping levels in 2008 when soaring food prices triggered riots in several countries. Worries about poor weather have led to warnings that prices of key grains could rise further this year. Food insecurity will affect the poorest populations most seriously, and this "will generate political instability in countries and threaten world peace and security", Diouf was quoted as saying. In comments on Monday at the start of France's stewardship of the Group of 20 (G20), Sarkozy questioned why money markets were regulated but not those for commodities. "If we don't do anything we run the risk of food riots in the poorest countries and a very unfavourable effect on global economic growth," Sarkozy said. "The day there are food riots, what country at the G20 table will say this does

not concern them?" The FAO's Diouf made much the same point, saying there was "a pressing need for new measures of transparency and regulation to deal with speculation on agricultural commodity futures markets". **RICH COUNTRIES BLAMED** He blamed trade barriers in advanced economies as distorting the supply and demand balance. The surge in agricultural markets of such crops as wheat and sugar has fuelled protests in parts of North Africa and the Middle East. Over the next 40 years, a 70 percent increase in agricultural production will be needed worldwide and a 100% increase in developing countries to meet the demands of an growing population. That meant \$44 billion a year was needed in official development aid in agriculture. Private investment should increase by \$60 billion to \$200 billion a year. The money should be used to help finance small water-control works, local storage facilities, rural roads and such facilities as fishing ports and slaughterhouses in developing nations, he was quoted as saying.

SIXTEEN) - IMF URGES RAPID APPRECIATION OF THE CHINESE YUAN

Le [Fonds monétaire international](#) (FMI) a estimé mardi qu'une appréciation "rapide" de la devise chinoise, le yuan, serait "logique" et "raisonnable", selon son directeur du département des études, Olivier Blanchard. "La Chine va dans la bonne direction, elle se concentre sur la stimulation de la demande intérieure", a-t-il déclaré lors de la présentation des "Perspectives économiques mondiales" du FMI à Johannesburg. "Nous pensons qu'à plus ou moins long terme, il sera logique et raisonnable de déprécier" le yuan, a-t-il poursuivi. "Ce serait bon pour la Chine et le reste du monde, si l'appréciation était rapide", a-t-il ajouté. "En Chine et dans les autres puissances émergentes d'Asie, l'appréciation des monnaies a été insuffisante", a encore estimé le responsable. Le cours du yuan, largement contrôlé, est l'objet de polémique entre Washington et Pékin. Les Etats-Unis accusent la Chine d'être responsable de leur déficit commercial colossal et lui reprochent de maintenir volontairement sa monnaie sous-évaluée pour favoriser ses produits à l'exportation. La Chine répond que ces pressions sont intolérables et que l'appréciation du yuan doit s'envisager comme un processus à long terme.

SEVENTEEN) - SUDAN'S BASHIR PLEDGES SUPPORT FOR INDEPENDENT SOUTH

Sudan's President Omar Hassan al-Bashir on Tuesday pledged support for a new southern state in his first public address since the south of the country voted overwhelmingly to split from the north. Early results from this month's referendum indicate almost 99 percent of southerners voted to secede after decades of civil war which claimed 2 million lives and destabilised much of east Africa. Bashir had campaigned for unity and many feared the north would not let the oil-producing south go without a fight. "Secession has become a reality -- 99 percent of southerners chose separation but we will not be sad ... we will go to the south and celebrate with them," Bashir told supporters during a visit to the northern River Nile state. "We will support the new southern state and will hold onto its stability because we are neighbours and will remain friends," he added. While oil was a factor behind the north-south war which ended with a wealth and power-sharing agreement in 2005, most believe it will enshrine peace after the split. Around 75 percent of Sudan's 500,000 barrels per day of crude lies in the south while the export infrastructure is in the north -- a forced economic interdependency. But while both sides seem to have accepted secession, disputes over the border, citizenship and how to share the debilitating external debt of almost \$40 billion are unresolved. The central Abyei region, which was supposed to hold its own referendum on whether to join the north or south, remains the major point of conflict, and clashes there between rival tribes marred celebrations during the southern vote. Officials have said a solution to Abyei will likely be part of a larger deal over other outstanding post-referendum issues. "The commission urges the parties to seek to resolve expeditiously the outstanding... obligations -- notably Abyei," the international commission monitoring the 2005 north-south deal said in a statement on Tuesday. Initial results of the southern referendum are due to be announced on Jan. 30. Any appeals would mean final results declared on Feb. 14.

Fernando Matos Rosa

Brussels

