



MEMORANDUM N° 80/2010

22/06/2010

To all EBCAM Members

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ONE)- EUROPEAN EXTERNAL ACTION SERVICE-THE ROAD IS OPEN FOR A QUICK IMPLEMENT- PRESIDENT BARROSO WELCOMES MADRID AGREEMENT

“The European Commission wants the European External Action Services to become operational as soon as possible”, said President Barroso, “and today’s political agreement in Madrid is a major step forward. I will continue to work closely with the other European institutions to make sure that all the next steps are taken as swiftly as possible.”

The Presidency of the Council of the EU (Minister Moratinos and Secretary of State Lopez Garrido), the High Representative (Catherine Ashton), the Commission (Maroš Šefčovič) and the European Parliament's representatives (MEPs Brok, Verhofstadt and Gualtieri) met on 21 June in Madrid. This meeting has been preceded by a number of contacts with the European Parliament, in particular on 14 April, 27 April, 10 May, 27 May and 8 June 2010.

The parties reached today the political agreement on the proposal for a Council decision establishing the organisation and functioning of the European external action service.

In addition to the decision, parties reached agreement on the text of two declarations by the High Representative: on political accountability and on the basic structure of the central administration.

On the basis of the agreement reached, the participants committed themselves to seek endorsement of the package by their respective institutions as soon as possible in order to proceed to the formal adoption of the Council decision establishing the organisation and functioning of the European external action service and their related declaration once all the procedural steps would have been completed.

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Statement of the European Parliament, the High Representative of the Union for Foreign Affairs and Security Policy, the Council and the Commission on the European External Action Service

The Presidency of the Council of the EU (Foreign Minister Miguel Moratinos and Secretary of State Lopez Garrido), the High Representative (Catherine Ashton), the Commission (Maroš Šefčovič) and the European Parliament representatives (MEPs Brok, Verhofstadt and Gualtieri) met on 21 June 2010 in Madrid.

1. The parties reached a political agreement on the proposal for a Council Decision establishing the organisation and functioning of **the European External Action Service**. In addition to the Decision, parties reached agreement on the text of two Declarations by the High Representative: on political accountability and on the basic structure of the central administration.

2. On the basis of the agreement reached, the participants committed themselves to **seek endorsement of the package by their respective institutions as soon as possible** in order to proceed to formal adoption of the Council Decision establishing the organisation and functioning of the European External Action Service and the related Declarations, once all the procedural steps would have been completed.

3. In addition, the participants agreed that they have now to work constructively for the solution of the remaining questions in particular the adoption of the Financial Regulation and the Staff Regulations.

TWO)- EUROPEAN INVESTMENT BANK AND AGENCE FRANÇAISE DE DÉVELOPPEMENT TO PROVIDE USD 186 MILLION FOR UPGRADING JOMO KENYATTA INTERNATIONAL AIRPORT

Alongside overall funding for the airport, the European Investment Bank today formally launched a USD 6 million support programme to minimise disruption during the upgrading and rehabilitation of the Jomo Kenyatta International Airport passenger facility in Nairobi, Kenya. The grant from the EU-Africa Infrastructure Trust Fund will be used to provide technical assistance, capacity building and environmental support for the airport upgrading project. The European Investment Bank agreed in December, 2009 to co-finance the JKIA upgrading project and will provide USD 93 million. Agence Francaise de Developpement will also provide USD 93 million for the airport upgrading scheme.

Eng S. M. Gichuki, Managing Director said “KAA as an Airport operator must continually develop our country’s aviation infrastructure to not only cope with demand and capacity constraints but serve as a catalyst for the country’s economic prosperity by adequately serving all our customers at world class standards. Indeed the reason why we are here today is to sign of these important financial agreements to enable us fulfil our mandate to the aviation sector”.

Speaking at the signature ceremony held at Jomo Kenyatta International Airport earlier today European Investment Bank Vice President Plutarchos Sakellaris said: “The European Investment Bank is financing the upgrading of JKIA as part of our wider strategy of investing in key infrastructure across Africa. This will provide an efficient transport link that acts as a key building block for strong economic growth in Kenya. Successful completion of the project, and ensuring minimal inconvenience for passengers, will benefit East Africa’s leading transport hub and improve links to the wider world.”

The technical assistance grant, from the EU-Africa Infrastructure Trust Fund, will help ensure a smooth transition of airport operations during the rehabilitation of Terminals 1, 2 and 3 and the arrivals hall, as well as the construction of the new Terminal 4. Specialist consultants will coordinate expansion of the existing terminal to ensure minimal disruption to passengers, airlines and airport operations.

Air transport has become increasingly important to the economy of Kenya, sustaining the tourist industry and the fresh flower and horticulture export markets. The current airport was originally designed for an annual capacity of 2.5 million passengers, and presently handles almost double that volume, leading to difficulties in meeting international customer service standards. The proposed project will increase design capacity to 9.3 million annual passengers and providing improved security that comply with International Civil Aviation Authority (ICAO) standards.

Vice President Sakellaris is currently on a three day visit to Kenya to see other initiatives funded by the European Investment Bank including the Olkaria Geothermal power plant and other projects. The European Investment Bank delegation will also be meeting President Kibaki, Prime Minister Odinga, other senior government ministers and business leaders.

KAA - Dominic Ngigi Corporate Communications Dominic.Ngigi@kenyaairports.co.ke

website: www.kenyaairports.co.ke/

- The European Investment Bank, the long-term lending institution of the European Union, whose shareholders are the 27 European Union member states, has been active across Africa for over 40 years. EIB activities follow policies and objectives set down by European Union member states and whose Finance Ministers are the EIB’s Governors.
- Over the last 5 years the European Investment Bank has provided EUR 890 m for the East and Central African region. In 2009, the European Investment Bank provided over EUR 1.1bn of funding to sub-Saharan Africa. The Bank supports public sector projects that are critical for private sector development and the creation of a competitive business environment. The Bank provides a broad range of financing instruments including loans, guarantees and risk capital to Africa selecting projects that can deliver sustainable economic, social and environmental benefits.
- The EU-Africa Infrastructure Trust Fund, an instrument of the EU-Africa Partnership on Infrastructure, promotes regional infrastructure schemes to foster wider African development. It is funded by the European Commission and a number of European Member States, managed by the EIB. The Fund provides grants alongside long- term loan finance made available by financial institutions to support cross-border infrastructure investments in sub-Saharan Africa.
- The World Bank will also contribute USD 18m for the airport upgrading project.

THREE)- COMMISSIONER PIEBALGS IN BURKINA FASO TO ATTEND THE EU AND ACP'S SIGNATURE OF THE REVISED COTONOU PARTNERSHIP AGREEMENT

On 22 June, Commissioner Piebalgs attended the joint EU-ACP Council of Ministers in Ouagadougou, Burkina Faso. The EU and 79 countries in sub-Saharan Africa, the Caribbean and the Pacific (ACP) States will sign the revised Cotonou Partnership Agreement, which was initialled last 19 March. They are also expected to adopt joint statements on the Millennium Development Goals and on climate change. This should strengthen the EU and ACP countries position in the upcoming international negotiations, such as the UN High Level Summit on MDGs in New York in September and the UN Climate change conference in Cancun in December. As part of the bilateral visit, Commissioner Piebalgs will meet with President Compaoré and inaugurate the "avenue of Europe" in Ouagadougou.

"The joint EU-ACP Council represents half of the world and half of global aid. The revised Cotonou Agreement is our common instrument in the fight against poverty. It will help to tackle the challenges of regional integration, climate change and the achievement of the Millennium Development in these countries. If we join our efforts to address common challenges, if we speak together as one, we can make New York and Cancun a success." stated Andris Piebalgs, Commissioner for Development. He added: "Burkina Faso is a good example of a country where our cooperation can make a difference. It is on good tracks towards economic development and political stability, and can count on our support in its endeavors."

EU-ACP Relations

The Cotonou Agreement is the most comprehensive partnership agreement between developing countries and the EU. It is our key instrument in the fight against poverty in the ACP States. It has been the framework for the EU's relations with **79 African, Caribbean and Pacific (ACP) States** since 2000.

The revised Agreement promotes an open dialogue and a flexible approach to reduce and eventually eradicate poverty. It aims to foster regional integration, to address global challenges such as climate change and supports ACP countries to progress towards achieving the Millennium Development Goals.

The 2nd **revision** adapts the partnership to the latest challenges, in particular:

- Our ACP partners face major challenges if they are to meet the **Millennium Development Goals**. The EU commitment to tackling poverty and to increasing aid to 0.7% GNI was endorsed by the European Council on 17 June.
- **The global challenge of climate change** is a major subject for the partnership. The parties commit to supporting efforts in mitigating and adapting to its effects.
- **The growing importance of regional integration** in ACP countries and in ACP-EU relations is reflected. The African Union becomes a partner of the EU-ACP.
- **Security and fragility**: no development can take place without a secure environment. The new agreement highlights this interdependence and tackles security threats jointly.
- The trade chapter of the Agreement will reflect the **new trade relationship** and the expiry of preferences at the end of 2007. It reaffirms the role of the **Economic Partnership Agreements** to boost economic development and integration into the world economy. It underlines the importance of trade adaptation strategies and **aid for trade**.
- **More impact, more value for money**: the revision will put into practice the internationally agreed **aid effectiveness** principles, in particular donor coordination. For the first time, the role of other EU policies for the development of ACP countries is recognized and the EU commits to enhance the **coherence** of those policies to this end.

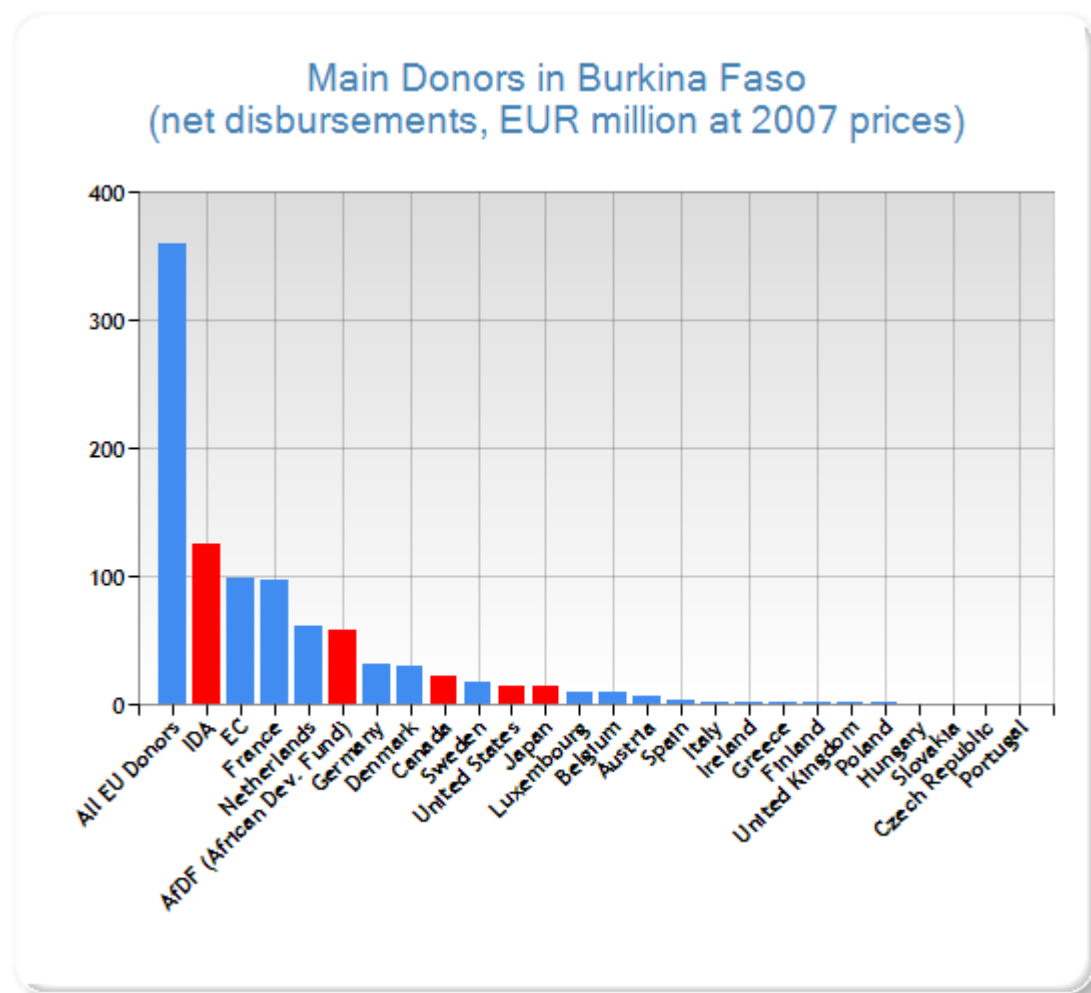
In 2009, the Parties have considered necessary to adapt existing cooperation framework to better address the all aspects of poverty eradication. The negotiations were launched in May 2009, and the EU negotiator initialled the endorsed texts on 19 March 2010.

Bilateral program

During the visit, Commissioner Piebalgs will hold a bilateral meeting with Blaise Compaoré, the President of Burkina Faso. They will discuss EU relations with Burkina Faso, including development cooperation and energy policy. The European Commission is the largest grant donor in the country, with over €500 million allocated over the 6 years 2008-13 under the current European Development Fund. Reinforcing infrastructure and inter-connectivity and support to good governance are the two main focal sectors.

Commissioner Piebalgs will also inaugurate the "Avenue of Europe" with the Mayor of Ouagadougou Simon Compaoré. This marks a symbolic way of good cooperation between Burkina Faso and the EU.

More information about the EU's aid to Africa is available in the [2010 Donor Atlas](#).



FOUR)- EU-INDIA RELATIONS: GENERAL BACKGROUND NOTE

1. Introduction

EU-India relations date back to the early 1960s when diplomatic relations were established. It was however the 1994 Cooperation Agreement (which is still the current legal framework for cooperation) that opened the door to the broad political dialogue that has since evolved, notably through annual Summits since 2000, and through regular ministerial and expert-level meetings.

In recognition of both sides' political and economic importance the EU-India Strategic Partnership was created in 2004 to enable the partners to better address complex international issues in the context of globalisation. To underpin the Strategic Partnership, leaders at the 2005 Summit adopted the EU-India Joint Action Plan (the 'JAP') which defined common objectives and proposed a wide range of supporting activities in the areas of political, economic, and development cooperation.

The Joint Action Plan was reviewed at the 2008 Summit which has since focused on promoting four priorities: peace and comprehensive security, sustainable development, research and technology, and people-to-people and cultural exchanges.

In 2006, the Summit endorsed a proposal to prepare for the negotiation of a Free Trade Agreement, negotiations for which are still under way.

2. Political Cooperation

Political cooperation with India is embedded in an institutional framework that has continued to be strengthened in recent years. Annual Summits have delivered significant outcomes, not only on political issues but also in the areas of trade and investment, science and technology, and economic and development cooperation. In addition to the Summits, the political dialogue is reflected in a number of other forums which include regular Ministerial meetings, Senior Officials Meetings, meetings of Political and Geographical Directors, and the EU-India Security Dialogue.

Essential political themes in the relationship are the fight against terrorism (EU Coordinator de Kerchove visited India in October last year to explore possible bilateral cooperation; and in parallel a possible agreement between Europol and India), non-proliferation, crisis management, and in particular maritime security ("Atalanta" cooperation on anti-piracy), peace building and peace keeping and regional issues within the South Asian region (primarily a specific dialogue on Afghanistan and possibly on Sri Lanka).

Human rights issues are addressed in the EU-India Human Rights Dialogue held in Delhi on an annual basis.

3. Economic and Trade Relations

The EU is India's most important trading partner. Trade in goods between both partners more than doubled from €25.6 billion in 2000 to € 61 billion in 2008, though there is still much potential for trade growth.

EU FDI inflow into India amounted to €0.9 billion in 2008. Many reputed European companies are investing in India in diverse areas such as energy, civil aviation, ports, Information Technology, automobiles, pharmaceutical, financial services and retail.

The EU is also becoming a prime destination for India's outward investment in sectors which include steel, pharmaceuticals, automobiles, IT and energy. In 2008, Indian investments into the EU reached €2.4 billion. EU Financial institutions and banks play a crucial role in funding most major European acquisition by Indian companies.

The completion of the FTA negotiations remains a strategic objective for both sides.

4. Sectoral Dialogues and Exchanges

Joint Working Groups have been set up to facilitate exchanges on subjects as diverse as Agriculture, Telecommunications and Information Technology, Pharmaceuticals and Biotechnology, Food Processing, and Environment. A Joint Customs Cooperation Committee serves to strengthen dialogue on a wide range of issues in that field. The increased importance given to Climate Change mitigation and related cooperation activities was reflected when the 2008 Summit in Marseilles adopted a Joint Work Programme on Energy, Clean Development and Climate Change. Follow-up activities were confirmed at the Summit in November 2009, when the EU and India agreed to expedite cooperation activities on Climate Change mitigation, clean energy (clean coal technology, nuclear energy) energy efficiency and renewable energy (in particular solar energy).

Negotiations to secure the conclusion of an EU-India Maritime Agreement are ongoing, and a horizontal, EU-wide Civil Aviation Agreement was signed in 2008.

On the basis of a mandate granted to it in 2009 by the Member States, the European Commission is negotiating a civil nuclear energy (fission) research agreement with India. A separate agreement on nuclear fusion research cooperation was signed at the 2009 Summit.

Migration is becoming an increasingly important subject in the relationship and is covered through regular meetings in Delhi of the EU-India Working Group on Visa and Consular Issues. Ways to strengthen cooperation on migration related issues are being explored.

5. Scientific Cooperation

Research cooperation between the EU and India started in the mid-1980s and the first EU-India Science and Technology (S&T) Agreement was signed in 2001 and extended in 2009.

India has become the fourth largest international partner for the EU under the 7th (2007-2013) EU Framework Programme for Science and Technological development (FP7). Indian organisations are participating in research projects in various technological areas of which health, environment, food agriculture biotechnologies and ICT are the most prominent. India has become a full partner in the International Thermonuclear Experimental Reactor (ITER) nuclear fusion project.

A Joint EU-India Call for Proposals on Solar Energy Research was launched in 2009 with €5 million contributions from each side.

6. The EU-India Cooperation Programme under the Development Cooperation Instrument

The main objectives of the EU-India Cooperation Programme are to contribute towards India's achievement of the Millennium Development Goals (MDGs) and to provide support for the implementation of the EU-India Joint Action Plan (JAP).

The first Multi-annual Indicative Programme (MIP) under the 2007-2013 planning period allocated a total of €260 million for the above activities over the four years from 2007-2010.

Following a Mid-term Review exercise conducted in 2009 the second MIP (2011-13) allocates an indicative total of €210 million to the same sectors as previously, but with an increased allocation for the social sectors.

7. Preparatory Actions

Financing under the Community budget for 'Preparatory Actions' in India was introduced by the European Parliament in 2007 to promote EU interests in business and research exchanges. Under the Preparatory Action for India, a European Business and Technology Centre (EBTC) has been established in New Delhi as a one-stop shop to provide EU companies with information on rules, regulations, standards, key market barriers, and general trade and investment-related matters. The EBTC will also promote the establishment of research networks between Europe and India and will support EU-India dialogues in various sectors.

The Centre is focusing primarily on energy, transport, the environment and biotech, promoting climate change as a general cross-cutting issue, and sustainable technologies in which Europe has considerable experience. The EBTC office is located in New Delhi but three regional centres in Mumbai, Kolkata and Bangalore will open later this year.

FIVE)- FOR SUSTAINED GROWTH, ETHIOPIA NEEDS TO PROMOTE REMONETARISATION

- Ethiopia has moved to restore economic stability while maintaining strong growth
- Short-term priority: halt demonetization, promote financial deepening
- Prudent budget management also needs stronger revenue efforts

Ethiopia has made progress in restoring economic stability in 2009, while maintaining strong growth, the IMF says in its regular review of the country's economy.

Ethiopia's top short-term priority is to arrest a demonetization trend—where the economy is cash dependent and the development of more advanced and efficient payments, savings, credit, and financial tools are lagging. Monetization and financial deepening are engines of growth and development.

The government needs to urgently reform monetary and financial policy so that financial institutions can mobilize deposits with attractive interest rates and extend credit to support the growth of businesses and the economy at large. This requires higher interest rates—at least as high as the inflation rate—tighter control on the printing of money by the central bank to keep inflation low, and the lifting of credit controls on financial institutions.

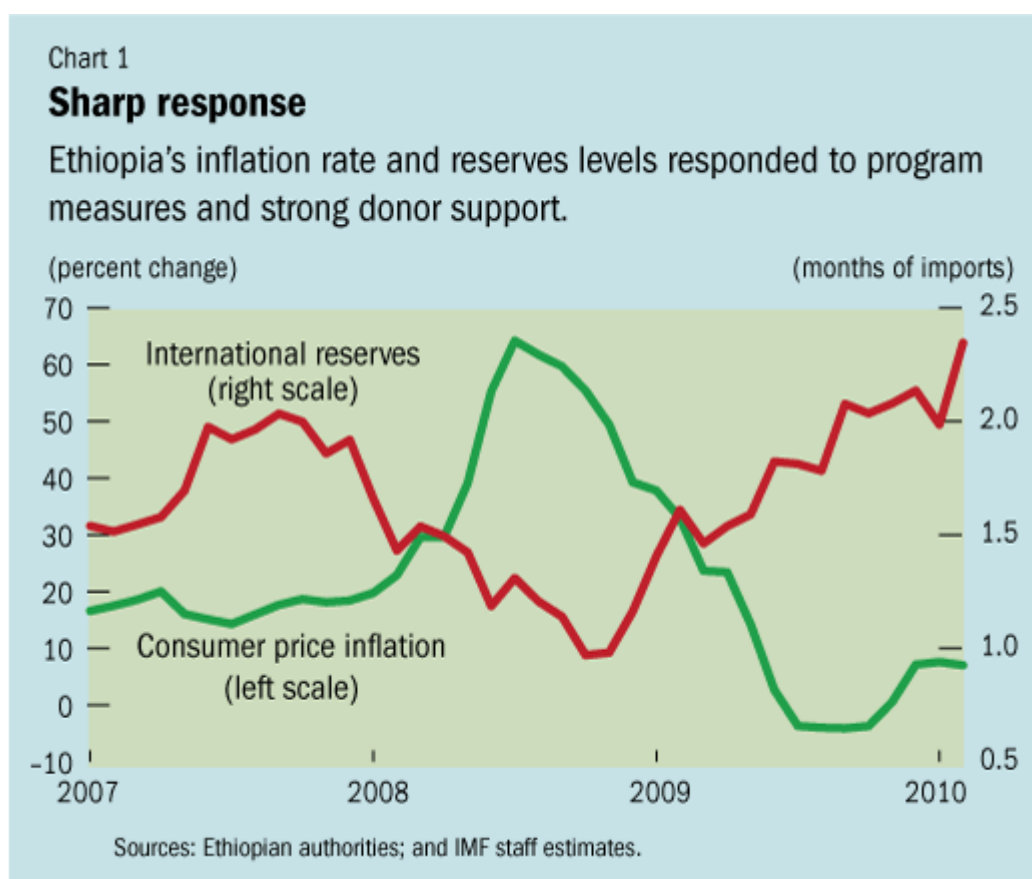
Ethiopia's real GDP growth is estimated to have eased to 7 percent in 2009/10 from near double-digit growth recorded in 2008/09, as the economy felt the impact of, but showed some resilience to, the global economic crisis.

Following commodity price surges in 2007–2008, Ethiopia experienced rising inflation and falling international reserves. Overall consumer price inflation peaked at 64 percent in July 2008 and international reserves fell to 1 month of imports at end-October 2008. In response, a policy package was adopted in late 2008 that included substantial fiscal and monetary adjustments, notably the elimination of fuel subsidies, as well as measures to protect vulnerable groups.

The IMF supported these policies through the Exogenous Shocks Facility (ESF), first in February 2009 with a low access disbursement, followed by a 14-month ESF arrangement under the high access component in August 2009.

Response to crisis

Under the reform measures, inflation declined sharply to single digits by mid-2009, aided by the sharp decline in international food and fuel prices. International reserves recovered to just over 2 months of imports at end-2009, helped by strong donor inflows and financing from the IMF (see Chart 1).



Recent policy developments reflect ongoing efforts to entrench economic stability. On the fiscal side, the budget has been managed prudently, with stronger revenue collection efforts. General government revenue rose, and expenditure was constrained in the first half of 2009/10, resulting in a repayment of domestic financing. For 2009/10 as a whole, the deficit will be reduced and domestic financing will be half the original program target.

Mirroring progress made in fiscal policy, reserve money growth has been reduced. As a result, excess liquidity in the banking system has declined from elevated levels. Bank credit to the private sector grew strongly in the room created by less government financing, but has been constrained by credit ceilings imposed by the central bank since early 2009 and interest rates remain negative in real terms.

The exchange rate was devalued twice (9 percent in July 2009 and 5 percent at end-January 2010 vis-à-vis the U.S. dollar) on top of a modest ongoing crawl depreciation. These actions, combined with the sharp fall in inflation, have brought the real effective exchange rate broadly back into equilibrium, and improved external competitiveness.

However, liberalization of the exchange regime would benefit the economy through improved access and confidence in the foreign exchange market, and unification of the official and parallel markets would free up significant efficiency gains.

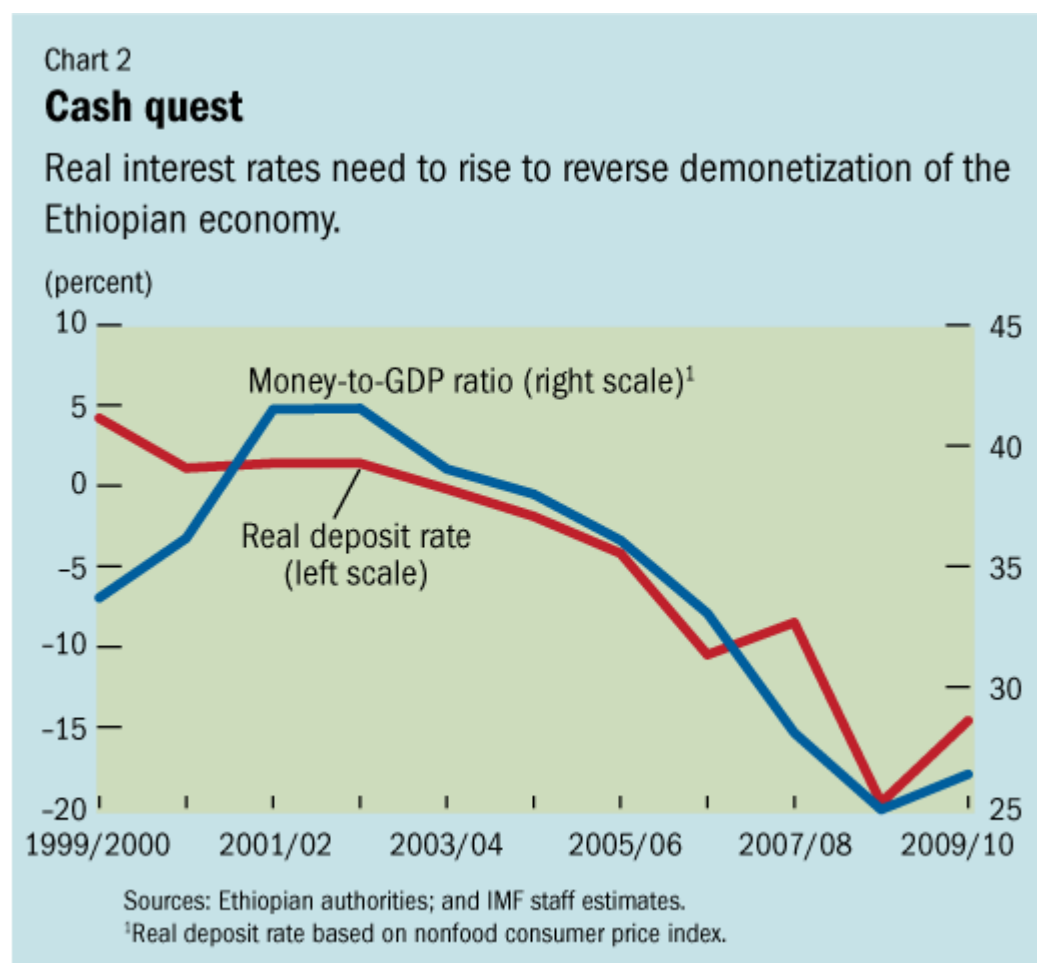
Supporting structural measures include a tax reform strategy to raise government revenue from low levels, a more active liquidity management policy, enhanced monitoring of public enterprise financing, and strengthening of national account statistics.

In light of these developments, the first review of the government's program was completed on June 11, allowing Ethiopia to draw \$58.7 million.

Next steps to foster growth

Ethiopia's 2010 Article IV consultation discussions focused on adjusting policies to reverse the demonetization trend and foster sustained growth while reducing vulnerability to shocks.

The task ahead is to urgently reform monetary and financial policy to remonetize the economy (see Chart 2). To achieve this, nominal interest rates on government securities would need to rise in conjunction with active liquidity management by the central bank, aimed at containing inflation at lower rates. Achieving positive real interest rates is a key to macroeconomic stability and development of the financial system. Going forward, an independent and active monetary policy focused on achieving low inflation will be important.



A large excess liquidity overhang in the financial system led the central bank in early 2009 to introduce bank-by-bank credit ceilings to contain the potential inflationary impact. The authorities are moving to mop up the excess liquidity so that the ceilings can be removed, as this is needed for monetization and financial deepening to take root. Fiscal policy needs to support these efforts by sustaining stronger revenue efforts and relieving the domestic financing pressures on central bank financing. To this end, a stepped-up tax collection effort is being introduced.

Concurrently financial sector supervision needs to be enhanced, especially with the large number of new private bank entrants recently, to ensure financial stability.

On the external side, a further accumulation of external reserves, liberalization of the exchange regime, and lower import tariffs are needed to enhance the resilience of the economy. Over time, sustained high export growth and import substitution will require vigorous implementation of productivity enhancing structural policies, including financial sector competitiveness, and improvements in the business climate.

An updated debt sustainability analysis shows that Ethiopia is in the low risk range of public external debt distress, providing room for more external borrowing. However, external borrowing, especially on commercial terms, needs to be carefully managed and directed to projects that demonstrate a high rate of return.

SIX)- THE EUROPEAN COMMISSION PROMOTES INTEGRATION OF THE ELECTRICITY MARKETS ON MAGREB

The Algerian, Moroccan and Tunisian energy ministers met Commissioner Oettinger in Algiers to step up the process to integrate the electricity markets of the Maghreb, the first step towards full integration of these markets into the European market.

At the end of the ministerial meeting, Commissioner Oettinger said: "It is very important that the three countries of the Maghreb have strongly confirmed their common will in Algiers today to create an electricity market in the Maghreb with a view to integration into the European market. This is a very positive signal for our energy cooperation with these countries which has every chance of becoming the basis for a strategic partnership".

The Ministerial Declaration signed today confirms the joint objective to integrate the electricity markets and defines a concrete plan of action for the next few years, as well as the principle of an annual meeting of ministers to monitor progress.

The integration of the markets based on joint rules is experiencing a new boost with the Maghreb countries making huge investments to respond to a strong increase in the demand for electricity and with a new 400 kV transmission line linking the three countries due for completion this year.

The reforms of the electricity sector which have been launched in the three countries will progressively integrate the regional dimension and enable the trade and transport of electricity between these countries. This process is favourable for investment in the electricity sector, in particular projects relating to renewable energy such as the solar plans for each country and private initiatives such as DESERTEC.

On the occasion of his first visit to the region, Commissioner Oettinger also held bilateral meetings with the energy ministers of the three countries of the Maghreb and met representatives from European industry in Algeria.

Background:

The Ministerial Council held today in Algiers was chaired by Mr Youcef Yousfi, Algerian Minister for Energy and Mines. Ms Amina Benkhadra, Moroccan Minister for Energy, Mines, Water and the Environment, as well as Mr Afif Chelbi, Tunisian Minister for Industry and Technology also took part. The Ministerial Council ended with the signing of a joint declaration by the ministers in the presence of Commissioner Oettinger.

The process to integrate the electricity markets in the Maghreb was launched by the 2003 Rome Protocol and a technical assistance project was financed by the European Union between 2007 and 2010. After this

preparation phase, today's Ministerial Council marks a step towards the actual creation of an electricity market in the Maghreb based on an action plan.

The **Desertec project** is a large-scale eco-energy project run by the *Desertec Foundation*. The project aims to create an interconnected network supplied by solar power stations from Morocco to Saudi Arabia (also linking Gibraltar) and underwater cables to Europe. DESERTEC also aims to meet a large part of the needs of producer countries in North Africa and the Middle East and to supply (initially) 15% of the electricity needed in Europe.

SEVEN)- 50 DEAD IN DARFOUR TRIBAL CONFLICT

De nouveaux affrontements entre tribus arabes rivales ont fait 50 morts vendredi au Darfour, région de l'ouest du Soudan en proie à une recrudescence des violences, a affirmé samedi un chef tribal. "Des membres des Rezeigat circulant dans neuf véhicules des +Gardes frontières+ (forces paramilitaires soudanaises présentes au Darfour, ndlr) ont attaqué vendredi trois de nos villages, a dit à l'AFP, Ezzedine Eissa al-Mandil, un représentant de la tribu arabe rivale Misseriya. "Les combats ont commencé à la mi-journée et se sont poursuivis jusqu'au coucher du soleil dans le secteur de Garsila", situé au sud de la ville de Zalingei, dans la région du Darfour-Ouest, a-t-il ajouté. "Nous avons dénombré un total de 50 morts. Il y a aussi 13 blessés de notre côté", a affirmé M. Mandil. Le gouverneur du Darfour-Ouest, Jaafar Abdelhakim Ishaq Adam, a pour sa part confirmé à l'AFP que des affrontements avaient opposé vendredi la tribu Rezeigat à la Misseriya, mais n'a pas fait état de victimes. Une quarantaine de casques bleus de la Mission de paix ONU-Union africaine au Darfour (Minuad) se sont rendus samedi près de Garsila afin d'évaluer la situation sur le terrain, mais n'ont pu se rendre sur les lieux des combats, a dit à l'AFP Chris Cycmanick, porte-parole de la mission de paix. "La population a averti nos soldats que les combats se poursuivaient. Selon les habitants, les combats ont fait jusqu'à 40 morts et dix blessés, mais il s'agit d'informations non confirmées", a ajouté M. Cycmanick.

EIGHT)- 3 PEACE MISSION SOLDIERS KILLED IN DARFOUR

Trois soldats de la mission de paix ONU/Union africaine (Minuad) au Darfour, dans l'ouest du Soudan, ont été tués lundi lors d'une attaque "brutale", a déclaré à l'AFP un responsable de la mission. "Ce matin dans les environs de Nertiti, au Darfour-Ouest, des ingénieurs civils de la mission faisaient des travaux sur une base et ce, sous la supervision d'éléments de protection. De manière brutale et sans avertissement, une vingtaine d'hommes armés d'AK-47 ont ouvert le feu sur nos troupes", a dit Kemal Saïki, chef des communications de la Minuad. "Trois soldats de la paix ont été tués. Un autre a été blessé grièvement et a été transporté par hélicoptère à Nyala", métropole du Darfour-Sud, a ajouté ce responsable. Les soldats de la Minuad ont ensuite répliqué aux attaques des assaillants. "Nos soldats ont répliqué, un échange de tirs a duré une heure. Il y a eu trois morts du côté des assaillants, qui ont pris la fuite et volé un 4X4 de la mission de paix", a-t-il ajouté. La Minuad est la plus importante force de maintien de la paix au monde avec plus de 20.000 soldats et policiers déployés au Darfour, vaste région de l'ouest du Soudan en proie depuis 2003 à une guerre civile complexe.

NINE)- SALVA KIIR FORMS FIRST ELECTED GOVERNMENT OF SOUTH SUDAN

Le président du Sud-Soudan, Salva Kiir, a annoncé lundi soir la formation du premier gouvernement élu de cette région semi-autonome qui doit tenir en janvier un référendum sur son indépendance. Selon la télévision du Sud-Soudan, le président sudiste a annoncé par décret la composition d'un gouvernement de 32 ministres incluant Pagan Amum, secrétaire général du Mouvement populaire de libération du Soudan (SPLM, ex-rebelles sudistes), qui devient ministre de "la Paix et de la mise en oeuvre" de l'Accord de paix global (CPA).

Cet accord, qui a mis fin en 2005, à 21 ans de guerre civile entre le Nord et le Sud du Soudan, prévoit la tenue en janvier d'un référendum sur la sécession du Sud-Soudan. Plusieurs analystes s'attendent à une victoire de l'option sécessionniste, mais craignent aussi une flambée des violences avant, pendant et après ce référendum dont l'issue pourrait remettre en cause les frontières héritées de la colonisation, une véritable boîte de pandore sur le continent africain. Salva Kiir a nommé Deng Alor, ancien chef de la diplomatie soudanaise, ministre de la Coopération régionale et Garang Diing Akuong, ministre de l'Energie et des mines. Le Soudan compte des réserves pétrolières passant six milliards de barils et situées en grande partie au Sud-Soudan et dans des zones à la lisière du Nord et du Sud. Le partage de ces ressources est l'un des sujets sensibles à l'approche du référendum d'indépendance. **PEACE MINISTRY IN NEW CABINET** South Sudan's president created a Ministry of Peace as part of a new cabinet on Monday as the oil-producing region prepared for a referendum that could see it split away as an independent country. Southerners are widely expected to choose secession in the vote that was promised in the 2005 Comprehensive Peace Agreement (CPA), which created a semi-autonomous southern government and ended more than two decades of civil war with the north. President Salva Kiir named Pagan Amum, secretary-general of his Sudan People's Liberation Movement (SPLM), as the south's new minister of peace and CPA implementation, according to a copy of the presidential decree seen by Reuters.# It is expected Amum will take a leading role in the countdown to the referendum. Northern and southern leaders have yet to resolve flashpoint issues such as the position of their shared border and the sharing out of oil revenues and debts in the event of a split.

TEN)- AFRICAN UNION CONDEMNS PEACEKEEPER DEATHS

Le président de la commission de l'Union africaine (UA) Jean Ping a "fermement condamné" l'attaque lundi contre des soldats de la paix au Darfour (ouest du Soudan) qui a fait trois morts, selon un communiqué transmis mardi à l'AFP. M. Ping "exprime sa profonde indignation face à l'attaque délibérée et injustifiée sur la position de la Minuad (mission de paix ONU-UA) à Nertiti le 21 juin qui a causé la mort de trois soldats de la paix rwandais et blessé gravement un autre", indique le texte. "Il condamne fermement cette attaque injustifiable qui intervient alors que tous les efforts sont menés pour restaurer la paix, la sécurité et la stabilité au Darfour", ajoute le texte.

ELEVEN)- EIB WELCOMES SECOND REVISION OF COTONOU AGREEMENT AND SIGNS TECHNICAL SUPPORT FOR LIBERIAN ENERGY PROJECT THROUGH WEST AFRICAN POWER POOL

Earlier today the European Union and 79 countries from Africa, the Caribbean and the Pacific (ACP) proceeded to the signature, in Ouagadougou, of the second revision of the Cotonou Partnership Agreement. The latter will notably allow the European Investment Bank to enhance its financing of regional infrastructure projects together with ACP sponsors. It will also offer the possibility for the Bank to accompany South African intermediaries in their drive towards regional economic integration for projects located in the rest of Africa.

Alongside the ACP-EU Joint Council of Ministers, President Maystadt also signed a technical assistance agreement with Mr. Amadou Diallo, Secretary General of the West African Power Pool (WAPP) for the preparation of the "Mount Coffee Hydropower Rehabilitation Project". The signing of the agreement took place in the presence of EU Commissioner for Development, Andris Piebalgs, as well as the Minister of Lands, Mines and Energy of Liberia, Dr. Eugene Shannon and the Managing Director of the Liberia Electricity Corporation, Mr. Joseph Mayah. The implementation of the hydropower rehabilitation project will enable Liberia to respond to its power needs as well as those of the sub-region through the WAPP interconnected grid. The overall project will contribute to economic development, poverty reduction and trade in post-conflict Liberia. This EUR 1.5 million assistance programme will be funded by the EU-Africa Infrastructure Trust Fund, managed by the EIB (cf.<http://eu-africa-infrastructure-tf.net>).

European Investment Bank President Philippe Maystadt said: “The project is conducted in the framework of the EU-Africa Infrastructure Trust Fund in which the EIB and the European Commission are prominent and proud stakeholders together with EU Member States and their development institutions. Through this instrument, the EU and Africa are working together to promote viable regional infrastructure schemes that foster wider African development. In this respect, the WAPP constitutes a key partner. We, on the EIB side, are looking forward to continuing our fruitful collaboration with Mr. Diallo (WAPP’s Secretary-General)”.

Since the entry into force of the Cotonou Agreement in 2003, about EUR 4.2 bn worth of projects have been signed by the EIB under its Cotonou mandate in ACP countries, more than a third being in the infrastructure sector (energy, transports, telecommunication as well as water and sewerage).

The European Investment Bank, the long-term lending institution of the European Union, whose shareholders are the 27 European Union member states, has been active across Africa for over 40 years. EIB activities follow policies and objectives set down by European Union member states, whose finance ministers are the EIB’s Governors.

The EU-Africa Infrastructure Trust Fund, through the blending of grants, provided by the European Commission and a number of EU Member States, with long term loan finance made available by the EIB and European Development Finance Institutions, is proving to be an important instrument of the EU-Africa Partnership on Infrastructure, promoting cross-border infrastructure investments in sub-Saharan Africa.

The West African Power Pool (WAPP) organisation was established by the highest decision making body of ECOWAS, the Authority of Heads of State and Government of Member States, as a mechanism and institutional framework for integrating the national power systems of ECOWAS member countries and help meet the energy needs of the ECOWAS citizenry by providing least cost reliable and sustainable electricity supply for economic development.

TWELVE) – EUROPEAN INVESTMENT BANK REINFORCES FINANCIAL SUPPORT FOR EAST AFRICA: KEY RENEWABLE ENERGY, COMMUNICATIONS AND TRANSPORT PROJECTS INAUGURATED IN KENYA

The European Investment Bank restated its firm commitment to support infrastructure and private sector growth in East Africa. Over the last five years the European Union’s long term financing institution has contributed more than EUR 890m to the region, with over 52% in the energy sector.

Speaking at a Nairobi press conference on the second day of an official visit to Kenya the EIB Vice President responsible for Africa said, “The European Investment Bank will do its best to ensure that energy, transport and SME investment can continue at ambitious levels, so that Kenya can continue to play an important economic role not only in the East African region, but in the world.”

Earlier in the visit Vice President Sakellaris assisted in inauguration ceremonies for the upgrading of Nairobi’s Jomo Kenyatta international airport, a high-voltage transmission line between Nairobi and Mombassa and expansion of the Olkaria geothermal plant. It is expected that the European Investment Bank, owned by the 27 member states of the European Union, will provide nearly EUR 240m of crucial funding for these projects.

The high-level European Investment Bank will also be meeting President Kibaki, Prime Minister Odinga, Ministers of Finance, Energy and Transport as well as business and banking leaders. In 2009 the EIB provided USD 79 billion for projects around the world and has provided EUR 890m for projects in East Africa over the last five years, including EUR 227m in Kenya.

Over the last 5 years over EUR 8.6 billion has been provided by the European Investment Bank for projects across Africa. The European Investment Bank operates in sub-Saharan Africa under the Cotonou Agreement. The revised agreement signed this week in Ouagadougou emphasises the role of regional development and infrastructure to economic growth and Millenium Development Goals.

The European Investment Bank has had a permanent office in Nairobi, responsible for the East and Central Africa region since 2005.

THIRTEEN)- RED SEA OIL SPILL CONTINUING, SAY ENVIRONMENTALISTS

Environmental activists said Monday that an oil spill off the coast of Egypt's Red Sea is continuing even after the government said it had been contained, leaving turtles and sea birds covered in oil. Government spokesman Magdy Rady told the state news agency Monday that the spill, which began last week, was «limited» and has now largely been contained. It was one of the first government acknowledgments that the spill was even taking place. An environmental group based in the Red Sea resort town of Hurghada told the Associated Press that the government was trying to cover up the extent of the damage and the leak had restarted. «Just today I received news that the oil had started leaking again this afternoon after it had stopped Thursday,» said Ahmed el-Droubi, a biologist with the Hurghada Environmental Protection and Conservation Association. Founded by divers in 1992, HEPCA has been sounding the alarm about the spill, which it says has damaged environmentally sensitive areas. «The northern islands protected area is very heavily impacted,» said el-Droubi. «This area is very important because it is the last pristine spot, there is a lot of sea life there that will be harmed ... there are dead birds and dead sea turtles scattered across the island covered in oil.» Oil company officials in the port city of Suez said the spill was caused by a leak from an offshore oil platform in Jebel al-Zayt north of Hurghada and has polluted about 100 miles (160 kilometers) of coastline including tourist beach resorts. They spoke on condition of anonymity because they were not authorized to speak to the media. Hurghada is one of Egypt's top tourist destinations and was once major diving site with extensive coral reefs, though over the past decades extensive development has caused some deterioration. The government kept quiet about the leak for days. The silence could be a sign of concern that it might scare away tourists _ a vital source of income for Egypt. Mahmoud Ismail, the head of the environmental crisis department, said the impact on most of the beaches has been minimal and the clean up would be done in a few days, though he admitted the situation was worse on the islands. «The hardest work will be cleaning up the coral and Tawila Island, the beaches will be cleaned up in a few days,» he said, adding that he had few complaints from local hotels.

Fernando Matos Rosa

Brussels

