



Rt Hon Douglas Alexander MP
UK Secretary of State for International Development
1 Palace Street,
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March 10, 2010

Dear Secretary of State,

Thank you and the Department of International Development for your December 15, 2009 response <http://www.solidaritymovement.org/downloads/100305UKAidLetter.pdf> to my letter of November 6, 2009, <http://www.solidaritymovement.org/091106OpenLetterToDonorCountriesToEthiopia.php> on behalf of the Solidarity Movement for a New Ethiopia (SMNE), where we expressed strong concerns regarding the alleged improper use of UK humanitarian and development assistance to Ethiopia by the Ethiopian government of Prime Minister Meles Zenawi.

We additionally voiced concerns regarding the continuing human rights abuses, the closing off of any political space in anticipation of the May 2010 election, the imprisonment of opposition leaders like Birtukan Mideksa, the vast leasing of Ethiopian land to foreign companies amidst growing hunger and rampant corruption; all of which have gone unchecked.

We deeply appreciate the fact that you and your department took these concerns very seriously; even traveling to Ethiopia to meet with government authorities and other civil society members, among them, PM Meles Zenawi, in order to better ensure that British taxpayer funding is not being diverted to weapons, the deep pockets of the EPRDF elite or to shore up flagging political support for an increasingly repressive and unpopular regime.

In your letter you explain the outcome of some of those discussions with Ethiopian government officials, like PM Meles, indicating that he strongly defended his government's commitment to poverty reduction, health, education and water services. **You encouraged us to verify this for ourselves and our findings, based on reports we have received from the ground, challenge these assumptions with the possible exception of some areas within PM Meles' own region.**

You reported that PM Meles promised to "take tough measures where evidence can be produced" of political bias related to aid distribution. **However, our findings indicate that the Ethiopian government is actively suppressing any such evidence from emerging through an overall lack of transparency, by denying reports, by punishing informants and by preventing donor governments, foreign journalists and others from gaining access to on-the-ground information. They are also repressing the democratic rights of the people, giving the EPRDF government unfettered power and control.**

You also indicated that despite some positive actions taken in setting up the Federal Ethics and Anti-Corruption Commission, that your position was “there was room for improvement” in the area of corruption and if there was evidence of aid funds being transferred to foreign bank accounts that you would ensure a thorough investigation. **We believe that enough evidence exists to call for such an investigation; particularly in light of the following information that seriously challenges the reliability of the Ethiopian government on numerous claims.** Please consider:

- Results of a year-long investigation by BBC Matin Plaut expose **evidence that implicates PM Meles and the current branch of the ruling Tigrayan People’s Liberation Front (TPLF) party of fraudulent use of Live Aid and other donated monies during the 1984-1985 famine relief effort when funding was channeled through the humanitarian branch of the TPLF.** Reports indicate that Meles Zenawi, as leader of the TPLF at the time; was allegedly eager to direct up to 95% of donor funds, meant to alleviate hunger and starvation, to instead be used to buy weapons and to fund the TPLF organization. Witnesses report that aid funds were later deposited in bank accounts in Western countries. **Although Meles and some others are officially challenging this BBC report, to many Ethiopians, this “news” is not new for they have known about these allegations for over a decade;** however, until now, no major western news organization has taken the initiative to investigate them.
- **Charges continue to surface regarding the ongoing Ethiopian government misuse of foreign assistance; including allegations that Productive Safety Net Program funds from donor countries, like the UK, are being politicized and abused by the TPLF ruling party.** Reports of such improper use of aid cannot be investigated by a government reported to be complicit with the abuse, also making an independent audit process more difficult where cooperation with the authorities is important; however, it does not negate the need for such an audit. Here are two examples of the active suppression of information:
 - **When journalist, Jason McClure, from Bloomberg News, attempted to investigate reports regarding the misuse of Productive Safety Net Program funds, PM Meles did not “take tough measures,” as he assured you; but instead, Mr. McClure was arrested and he was going to be expelled out of the country. After the intervention of Bloomberg, he was only allowed to stay in Ethiopia under numerous restrictions.**
 - Six individuals from the Tigray region (Meles’ own region) were allegedly going to be interviewed by Jason McClure, but were instead beaten and then arrested by some EPRDF party members. Apparently were going to provide evidence regarding the misuse of funding for the Protective Safety Net Program.
- **A recent report from Financial Action Task Force (FATF), as the global standard setting body for anti-money laundering (AML) and combating the financing of terrorism (CFT), identified Ethiopia as being among the world’s top five worst countries (along with Iran, North Korea, Angola and Ecuador) in the world for strategic AML/CFT deficiencies and called on its members “to consider the risks to the international financial system arising from such deficiencies.”**

The FATF stated that “despite its efforts...Ethiopia has not committed to the AML/CFT international standards, nor has it constructively engaged with the FATF or the FSRB as of February 2010.” **They indicate that lack of such compliance makes not only Ethiopia, but also others involved with them, whether inside or outside their borders, extremely vulnerable to illicit activities.** (Please see: <http://www.fatf-gafi.org/dataoecd/34/29/44636171.pdf>).
- **Repressive laws restricting civil society in Ethiopia are among the most restrictive in the world.** As of January 2010, the new **Charities and Societies Proclamation law** was implemented, **criminalizing the advancement of human rights, disability rights, gender equality, children’s rights, conflict resolution and the promotion of democracy and good governance** for any civil society members/institutions that received 10% or more of its funding from foreign sources.

In addition, in other legislation, another new draconian, but vaguely defined, anti-terrorism law was enacted that included criminal penalties for actions that might be seen elsewhere as legitimate expressions of public protest—such as “creating a public disturbance.” **In other words, the UK should not assume that Ethiopian institutions/civic organizations will ensure or even promote free and fair elections as most are dysfunctional, not independent and are simply meant to create the perception of an active civil society where none exists.**

- **Currently, the media is nearly completely controlled or blocked in Ethiopia.** The only non-governmental radio programs being heard in Ethiopia are the Voice of America Amharic program, and Deutsche Welle (Germany) all of which are now being jammed. The government controls most every other media source, including blocking opposition websites, TV, FM radio and news agencies. The government is the only Internet provider (Ethiopian Telecommunication Corporation) and Internet penetration in Ethiopia (0.4%) is less than Somalia (1.0%) is among the lowest in the world.
- **The upcoming May 2010 Ethiopian National Election should already be considered invalid due to pre-election interference** with political campaigns and the harsh repression of political candidates—through imprisonment (Birtukan Mideksa), intimidation, beatings, threats and now a suspected political assassination—all of which has created a political atmosphere that is neither free nor fair before a vote has ever been cast. **Unobstructed voting in May will not rectify the deeply flawed pre-election conditions that have overwhelmingly prevented participation from non-government-controlled candidates.** Here are some examples:
 - All political parties and candidates are expected to sign a Code of Conduct, prohibiting them from making any critical remarks about the current government.
 - It has become almost impossible to register as an opposition candidate without interference; often violent in nature. In some areas, only the ruling party is allowed to register their candidates.
 - On March 2, five men brutally murdered Mr. Aregawi Gebrehannes, a strong opposition candidate in the Tigray region who was running for parliament against the ruling TPLF party of Meles Zenawi. He had been threatened and beaten previously regarding his candidacy. No internal inquiry is expected to be impartial.

Is this the kind of free, fair and peaceful election that the British taxpayers seek to support? We believe that the above-mentioned factors are very serious concerns that call into question the Ethiopian government’s past and present stated claims and require additional investigation, audit and safeguards to ensure that UK aid is not misused; particularly in light of your new commitment of 20 million pounds. The Ethiopian people are in great need of humanitarian aid, but not of aid that ends up being diverted to repress the political process and the rights of the people. Had such aid been directed to agricultural development and new technologies over the last 19 years of the Meles regime; undoubtedly, this degree of need would not exist.

Instead, there is too much evidence pointing to the mishandling of donor funds to justify not delving deeper into these concerns through an official investigation; specifically in regards to funds given by the UK. **Therefore, we strongly support the British Minister of State for Africa Baroness Glenys Kinnock’s call for an investigation into the misuse of UK aid by the EPRDF regime; however, the EPRDF are unlikely to be impartial and instead such an investigation should be independent and include representation of the donor (UK), who ultimately bears the burden of responsibility to the British taxpayer.**

Recommendations for the most urgent and critical actions:

1. **Require immediate and unlimited access to the Ogaden by an independent team of international NGO’s, human rights groups and UK development representatives due to concerns for the people since humanitarian access being blocked to the region for nearly two years when 42 NGO’s assisting in the area were kicked out.**

A team should evaluate the conditions of those cordoned off from the outside world to ensure that concentration camp-like conditions do not exist. Arrangements should be made beforehand with insurgency groups, like the Ogaden National Liberation Front (ONLF) to assure safety; recognizing that reports alleging that this government has at times staged attacks and then blamed insurgency groups and others for those attacks in order to achieve a political purpose.

2. **Completion of an in-depth independent audit of the Productive Safety Net Program**, which would determine if UK funds were used appropriately as well as investigate allegations of politicized misuse of funding. Any investigation should also include the Ethiopian government's rationale for why only limited areas of Ethiopia have Productive Safety Net Programs; particularly explaining why some of the neediest regions have continued to be excluded for so many years.
3. **Investigate reports of money laundering by members of the TPLF/EPRDF in light of new FATF concerns and continued allegations.** The potential international financial risk to anyone dealing with Ethiopia is exacerbated by the amount of large scale foreign investment going on at a rapid pace within the country. This has been accompanied by human rights abuses, dispossessing citizens from their land without compensation and the repression of the political process and the peoples' rights. Many Ethiopians believe the Meles regime is robbing the country of its land, resources and finances while brutally suppressing any resistance. **How will the UK respond?**
4. **The EPRDF has already broken its Constitutional obligation to provide a free and fair playing field to all political groups; therefore making the entire May 2010 election irreparably flawed, causing Ethiopia not to meet the standards for UK financial aid based on demonstrating progress towards democratic goals. In light of this, will the UK support actions by Ethiopians to contest the legitimacy of this election? How will it affect UK foreign aid policy?**

In closing, we do want to gratefully acknowledge your department's willingness to engage in an open dialogue between yourselves and Ethiopians so as to ensure that British aid is used as a means to empower Ethiopians to independence rather than to inadvertently subsidize tyranny, corruption and dependence. Investing in the people of Ethiopia, who will always be there, is a much better long-term bet than investing in an unelected dictatorial regime.

Thank you again for your action-oriented response. I look forward to furthering this discussion.

Sincerely yours,



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