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دولة إرتربيا وزارة الشؤون الخارجية

## The State of Eritrea

Ministry of Foreign Affairs

## Press Release

## Human Rights Watch: On a Dogged Mission of Defamation

Once again, Human Rights Watch (HRW) is engrossed in its frantic campaign of defamation. The organization has just distributed, through the electronic media, a document that targets Eritrea as a "systemic violator of human rights". The core areas of its unfounded accusations are Eritrea's National Service and the country's nascent mining sector. To this end, HRW unabashedly equates Eritrea's National Service with "forced labour", which, in its view, "qualifies Eritrea as a violator of human rights".

This conclusion is arrived at on the basis of an investigative methodology that no self-respecting researcher would take seriously. HRW pronounces Eritrea a violator of human rights on the basis of its interview of four, out of over 1,330, combined Segen and Bisha employees at the mining plant at the time. Conclusions on the basis of these three-thousandth of one percent interviewees cannot be taken seriously not only due to its insignificant size but also for the fact that HRW took their words at their face value. Other principal background sources that HRW dipped in to corroborate its malicious report are either certain governments that harbour hostile agendas against the country and/or notorious quislings.

Before addressing the larger issue of the legality, rationale and *modus* operandi of the National Service, let us first examine the veracity of the specific accusations that HRW wrongly peddles:

1. All private commercial enterprises – whether local or foreign – are prohibited by law from employing non-demobilised National Service staff. Needless to emphasize, the law fully applies to Segen in its civil works subcontract at the Bisha mining plant. In practice, the enforcement of the law is ascertained by the mandatory requirement for all private enterprises to request and

ensure, prior to hiring, that any prospective employee possesses the demobilisation release document that is duly issued by the Ministry of Defence. Furthermore, the Inspection Department of the Ministry of Labour and Human Welfare undertakes periodic and routine, on-the-spot, regulatory verifications to ascertain strict compliance of the respective enterprises with these regulations as well as with explicitly pronounced work-place safety standards. This does not, of course, mean that there cannot be isolated cases where the companies concerned circumvent the rules and illegally hire non-demobilised National Service Staff. But such rare illicit practices cannot be misconstrued as government's acquiescence in, or wilful policy of, "forcing under-paid military servicemen to work in commercial enterprises".

- 2. Bisha Share Company and SENET were not compelled to enter into a civil-works subcontract agreement with Segen through heavy-handed government imposition as it is falsely insinuated in the HRW report. As we shall revert to and elaborate later, the GOE has moral and constitutional obligations to maximise national value and the financial proceeds that accrue to the country from mining ventures by augmenting its participation in the value chain of the mining operation; in all the downstream and upstream segments of the entire mining activity as far as this is practically possible. To this end, the country's labour laws as well as the Mining Law contain explicit provisions that require foreign companies to give precedence to Eritrean enterprises and professionals for any contract or work when and if these can be performed locally at competitive prices and with the requisite quality and professional standard. Thus while Bisha had to hire SENET, a South African engineering company, at the considerably high, initial fee, of 30 million dollars for the engineering, procurement and management functions, Segen was hired for a relatively minor civil works contract through transparent mechanisms and in line with the normative policy of giving precedence to local companies when this is commercially feasible. It must also be borne in mind that, as a mining company, Bisha SC does not possess the construction license to engage in civil works.
- 3. NEVSUN and SENET did not dictate labour conditions on Segen on the basis of higher "corporate ethics" that they espouse. All standard labour rights are enshrined in Eritrea's Civil, Penal and Commercial codes; in its Labour Proclamation No. 118/2001 and the core ILO Conventions to which Eritrea is a party. All private

- enterprises, including the mining companies and para-Statals, operate under these laws. Any employee whose rights are violated may sue the employer, even if the employer is the government in cases of public commercial enterprises. There are many instances where employees have taken government institutions to court and won their cases.
- 4. Segen maintains that its remuneration of its employees in Bisha is above the industry average. On site accommodation facilities are not substandard as the HRW alleges on the basis of hearsay from third parties. Segen states that it received a special Award by SENET for 1 million hours of work without a single work incident. It also maintains that the Indian engineers it hired five years ago are still working for the company and live in the same accommodation quarters although the HRW report attributes some of the derogatory remarks to them. HRW's allegations thus appear unfounded or grossly exaggerated. The central flaw of HRW's skewed narrative indeed lies in its unprofessional approach of cobbling up spurious accusations from secondary sources with suspect agendas without cross-checking their veracity with the primary subjects of its "investigation". By its own admissions, HRW acknowledges that it did not contact or try to elicit explanation from Segen, the National Mining Company (ENAMCO) or any relevant government institution.

We now proceed to address HRW's ludicrous accusation that equates the National Military Service to "forced labour".

As it must be true with all self-respecting governments, the State of Eritrea considers sacred its constitutional duty to defend and protect the sovereignty and political independence of the country. The National Military Service was accordingly enacted by the National Assembly with that duty and responsibility in mind. Today, Eritrea's sovereignty is under threat not least because Ethiopia continues to occupy Eritrean sovereign territories, including the town of Badme, in flagrant violation of international law and the final and binding decision of the Eritrea-Ethiopia Boundary Commission (EEBC). As long as that threat exists, and in view of the failure of the UN Security Council to shoulder its legal and moral responsibilities, Eritrea has the inalienable right of protecting its sovereignty and independence the way it deems appropriate. This was true in the 1950s when Eritrea's right of decolonisation was ignored and suppressed by the UN. And it remains broadly true today.

But in spite of these compelling national security exigencies, Eritrea's youth are not invariably enrolled in a "never-ending and exclusively Indeed, at the time when the National Military militaristic" service. Service was proclaimed, the young Eritrean State had embarked on a comprehensive and widely acclaimed demobilisation programme in which 65,000 of the 100,000 freedom fighters that had liberated the country in a 30-year armed struggle were released from the army. Again in 2001, and anticipating that the border war would be irrevocably settled through the binding arbitration process that was underway on the basis of the Algiers Peace Treaty that both countries had signed, the GOE established a Demobilisation Commission and set in motion a second demobilisation programme with financial support from the World Bank, the European Union and other multilateral and bilateral partners. More than 105,000 National Service members were demobilised and reintegrated into civilian life in a space of four years until the programme came to an end in 2005.

Furthermore, the broad annual enrolment pattern does not constitute of rigid, automatic and routine assignment of fresh and eligible entrants in the National Service to the military and/or to public companies involved in developmental work. The Government has been investing considerable resources, as a matter of highest national priority, in the development of its human capital - literally the youth - by increasing access to tertiary education. Those who are eligible annually for National Service are thus enabled to continue their first degree studies in the various colleges or pursue two-year diploma programmes in vocational/technical training institutions whose exponential expansion was vigorously pursued in the last decade. In tandem with government policy of free health services, education, including at the tertiary level, remains fully subsidized and students are charged neither tuition nor boarding fees which are shouldered by the Eritrean State.

Yet, in spite of these flexible qualifications and caveats, National Military Service remains mandatory, onerous, and much prolonged than the 18 months limit stipulated in the 1994 law. Graduates of these institutions of higher learning have to resume their deferred National Service obligations and work in the public sector - schools, hospitals, Civil Service and the Army – as well as in developmental and infrastructural public projects under subsistence National Service pay for years irrespective of their qualifications. The Government and the community at large undertake, periodically and intermittently, a variety of practical measures to mitigate the financial burden on the servicemen and servicewomen in active duty. Still the problem has not been resolved as

yet although the government has recently launched various schemes and stop-gap measures until the overall situation reverts to full normalcy.

But onerous as it is, it would be preposterous to misconstrue this imposed reality as a deliberate government policy of "forced labour". The burden is not, indeed, confined to those enrolled in the National Military Service. It is shared, with varying degrees of intensity, across all segments of the society. Civil Service and Armed Forces salaries – which were high by regional standards when they were substantially increased just before the war - have, for instance, remained frozen across the board during the last decade due to the same considerations. Eritreans in the Diaspora continue to contribute 2% of their net income in accordance with the rehabilitation tax that was originally introduced in 1994 but that continues to-date for the same reasons. This noble tradition of burden-sharing is deeply embedded in Eritrean culture and history. In 1991, when the country was liberated, the new government found out that the coffers of the State were empty. Thus while the civil servants that served under the colonial regime continued to receive their salaries, (and even had salary increments in 1992), all the freedom fighters that were assigned to the public sector or the new Eritrean Defence Forces were asked to live in camps and continue serving their country without pay until 1994 when the economy picked up and a new salary scheme was introduced.

Indeed, although HRW is obviously ignorant or oblivious to these realities, burden-sharing, which is deeply ingrained in Eritrea's history and culture, is what, to a large extent, propelled it to assert national independence and sovereignty against all odds. It is nothing less than audacious cynicism for HRW to lecture Eritrea on the low wages and living conditions of our youth in the National Service when, it is safe to assume, it has no clue about Eritrean history in general and the salary structure of the Eritrean Civil Service and the military, including top level officials, in particular. The austerity scheme in place in place has nothing to do with contemporary practices in several countries that seem to shift the burden of the current financial crisis to pensioners and other vulnerable segments of society while corporate heads are rewarded through hefty silver parachutes.

The diversionary vanity of HRW and its cohorts aside, the National Service scheme is rendering historic and unparalleled contribution not only to the defence but also to the overall socio-economic development of the country. Today, Eritrea has significantly increased its stock of social and economic infrastructure; be they schools, health facilities or welfare institutions, roads, bridges, and air and sea ports, thanks to a large

measure to its Military and National Service scheme. The deployment of these two institutions in infrastructure building is also widespread in many parts of the world (US army contingents in our region regularly publicise their developmental/infrastructural philanthropic work in the countries of deployment) and no one has the right to ostracise Eritrea for practicing it.

The concerted campaign by HRW and others to target Eritrea's mining sector is prompted by overriding geopolitical reasons rather than with genuine concerns for the welfare of the Eritrean people. In this context, it is noteworthy that the HRW document makes reference to the unjust and politically-motivated Security Council sanctions against Eritrea. It says:

In a December 2011 resolution the [UN Security] council expressed concern at the "potential use of the Eritrean mining sector as a financial source to destabilize the Horn of Africa region." It called on Eritrea to display transparency in its public finances, and mandate their governments to ensure that any firms under their jurisdiction with investments in the Eritrean mining sector "exercise vigilance" in this regard.

But in truth, it is not the mining companies or the foreign countries in which they are registered that are entitled to claim the moral high ground to regulate how the GOE dispenses with the revenues that may accrue from this or other foreign investment activities that may be conducted in the country. The custodian of these natural endowments – that belong to current and future Eritrean generations – is the government of Eritrea; not any other putative foreign benefactor. And while ensuring that the foreign companies obtain reasonable financial returns for the risks they undertake and the investment capital and expertise they deploy, the GOE has absolute responsibilities to secure a fair deal for the country. The GOE has to ensure that foreign companies do not resort to unorthodox financial methods to extract inordinate profits through opaque procurement procedures for goods and services; hidden transfer pricing to their subsidiaries abroad; excessive salaries to expatriate staff; onerous conditions from banks and other institutions that lend loans to these projects etc. The Mining Law as well as the regulatory powers routinely exercised by the Ministry of Mines and Energy; the Ministry of Labour and Human Welfare; the Ministry of Land, Water and Environment were originally conceived and put in place precisely in order to safeguard and enhance these interests. The Government's decision to buy 40% share in Bisha's stock; its decision to open a new Faculty for mining and process engineering at the Eritrean Institute of Science and Technology are,

likewise, well-thought out measures that intend to build and augment national human capital and increase the national revenues that accrue from this natural wealth to the country in an industry that is historically known for egregious corporate malpractices.

Human Rights Watch and its behind-the-curtain mentors may be lethargic and not wedded to the GOE's judicious approach described above. The real purpose of their campaign of defamation, using human rights as a cloak, may indeed be curbing Eritrea's laudable endeavours to ensure fair play and earn the revenues that the country rightly deserves and needs in its development drive.

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