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Gov't 100-day performance evaluation meeting convenes

BY STAFF REPORTER

ADDIS ABABA- The Council of Ministers carried out its 100-day performance evaluation meeting yesterday.

Prime Minister Abiy Ahmed (PhD) posted

on X that the latest review by the Council of Ministers marked the last review of the current Ethiopian fiscal year.

He disclosed that the Council would review sectoral performance to assess gaps and build on strengths.

Alongside this session, a book chronicling the decisions of the Council of Ministers from Ethiopian calendar 2010 to 2015 (2018-2023 G.C) was launched. This publication meticulously highlights the pivotal policy decisions formulated

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Ethiopia ramps up efforts to actively engage in BRICS

BY STAFF REPORTER

ADDIS ABABA – Ethiopia has taken various measures to enhance its active role in the BRICS bloc in line with its national development priorities, said Foreign Affairs Minister Ambassador Taye Atskesclassie.

Addressing BRICS Foreign Ministers Meeting yesterday, Foreign Affairs Minister Amb. Taye said that Ethiopia greatly values its BRICS membership and it has taken various measures to enhance its active role in the BRICS family in line with its national development priorities.

As the most pressing transnational issues cannot be addressed by any single institutions alone, renewed and genuine global partnership is not a choice, but a necessity. The importance of promoting collective solutions rooted in

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Modeling 'Asian Miracles'

• *What can Ethiopia learn from once-impooverished now-affluent economies?*

BY EYUEL KIFLU

On the wake of Prime Minister Abiy's visit to some of the Asian tiger countries, economists urged Ethiopia to consider emulating development model of the formers to expedite its transition to middle economy.

Dubbed also as Asian miracles, Hong Kong, Singapore, South Korea, and Taiwan catapulted to an economic powerhouse in span of four decades.

The once-impooverished part of the world made a miraculous economic turnaround in the years between 1960 till the turn of the millennium.

Fueled by exports and rapid industrialization,

See Modeling ... page 3



News

Calling for more accessible public service to PwDs

BY FIKADU BELAY

ADDIS ABABA—Disability advocates have urged the government to take proactive measures to tackle difficulties that challenge Persons with Disabilities (PwDs) to access public service.

In a moving plea for increased accessibility, Inclusiveness Education Project Coordinator and Sign Language Trainer Yohannes Teklay expressed that lack of sign language interpreters is highly affecting hearing impaired citizens who seek services at various institutions.

He called on the government to assign sign language interpreters to public institutions such as legal settings, healthcare centers, police stations, and other crucial service providers to enable people who do not speak the primary language access important public resources and services.

He also pointed out the financial burden imposed on hearing impaired individuals, noting that the money paid to translators is often high. He stated that the government has a responsibility to alleviate this burden and ensure that hearing impaired citizens can access essential services without facing additional costs.

The Hearing Impaired National Association Manager Gedamu Hundecha stated that the association, which holds approximately four million hearing impaired people with about 28 branches in the country, is working closely with the government and other stakeholders to promote the recognition and widespread use of sign language at the national level.

Integrating sign language studies into the educational system will empower hearing impaired Ethiopians to fully participate in the country's economic development and reduce the challenges they face in both government and private sector services, he indicated.

"It also helps to support and protect the linguistic identity and cultural diversity of the hearing lost community," he added.

Ethiopian Center for Disabilities and Development Executive Director Getahun Simon (PhD) on his part emphasized the association's unwavering commitment to protecting the human rights of the hearing impaired and raising awareness about the significance of sign language.

According to a 2011 study, there are around one billion hearing impaired people worldwide, of which more than 20 million of them are Ethiopian nationals. Over 90 percent of this population is unemployed, which Getahun says reduces the country's GDP by five to seven percent.

"The government and other private institutions should work together to enable PwDs to engage in social, economic, and other development activities," he stated.

He also called on the government to draft comprehensive policies related to disabilities and urged the international community to implement the laws issued before.

ILO grants 4.5 mln Birr for 50 BPC winner entrepreneurs

BY TSEGAYE TILAHUN

JIGJIGA – The International Labour Organization (ILO) has granted 4.5 million Birr for 50 the Business Plan Competition (BPC) winners to support and empower refugee and host communities' entrepreneurs.

The BPC concluded on Monday granting 4.5 million Birr for 50 best business ideas, empowering aspiring entrepreneurs from refugee and host communities in Somali state. The initiative is spearheaded by ILO, through the PROSPECTS Programme in partnership with HASI Consulting to foster entrepreneurship, drive economic growth and create sustainable livelihoods for host communities and refugees in Somali State.

Speaking at the occasion, ILO Chief Technical Advisor, PROSPECTS Programme Stephen OPIO said that some 50 outstanding businesses were selected to receive grant funding to start or expand their business ventures, along with ongoing business coaching and mentorship to ensure long-term sustainability of the business ventures. "The BPC has played a pivotal role in nurturing entrepreneurship, fostering innovation, and driving economic growth."

The BPC generated significant interest, receiving a staggering 1,931 proposals from young aspiring entrepreneurs across



diverse sectors. The step equipped the BPC entrants with the necessary skills to refine their business ideas, develop comprehensive business plans, and strengthen their entrepreneurial capabilities, he stated.

During the Global Refugee Forum in December 2023, Ethiopia pledged to improve the enabling environment for private sector engagement and investment to foster socio-economic development and to boost productivity of refugee and hosting communities, by 2027. The BPC is part of our support towards ensuring that Ethiopia delivers on its pledge on boosting productivity of refugees and host communities, he underscored.

For his part, Deputy Head of the Cooperation Embassy of the Netherlands Tiest Sondaal stated that the PROSPECTS

partnership focuses on four pillars: education and learning; economic inclusion; protection and social protection; and critical infrastructure. "This initiative has been instrumental in fostering a thriving entrepreneurial ecosystem in the Fafan Zone of the Somali state.

The approach is not just about building businesses; it is about empowering forcibly displaced persons and their hosts to become self-reliant contributors to their communities, he said.

The BPC has been implemented in collaboration with the National Business Development Service Providers Association, Refugees and Returnees Service (RRS), Somali State's Skills and Job Creation Bureau and financial service providers, it was learnt.

Ministry working to nurture skilled, competent tourism professionals

• Institute opens 11th Tourism, Hospitality Week

BY MESERET BEHAILU

ADDIS ABABA – The Ministry of Labor and Skills (MoLS) said it has been working relentlessly to nurture skilled and competent tourism professionals that would help to exploit the sector's economic potential.

MoLS State Minister Teshale Berecha (PhD) made the above remark while opening the 11th Tourism and Hospitality Week that was held by the Tourism Training Institute under the theme 'Tourism for National Consensus' yesterday.

In his opening remark, the State Minister further stated that consolidated attempts have been made to make the institute, which is under the auspices of the MoLS, become a center of excellence in tourism training and regionally competent in years to come. According to Teshale, tourism is among the main pillars of the national economic growth though there remain many activities to tap the sector's potential. "Presently, tourist attractions are expanding across Ethiopia and the situation demands an adequate skilled labor force that could provide world-class hospitality service and help to build the country's positive image."

The Tourism Training Institute has been striving to bridge the skilled labor gap in the tourism industry in the past over many



years. But Ethiopia is still facing a lack of competent professionals and needs the stakeholders' collaboration to bridge the limitation, he emphasized.

The Tourism Training Institute Director General Getachew Negash for his part said that the institute has been greatly contributing to the provision of skilled tourism professionals and capacity-building programs and consultancy services since its establishment.

"The institute has been providing practical-oriented training to fill the skilled labor gap in the tourism industry. Though Ethiopia has untapped tourism potential, it does not

get the desirable benefit from the smokeless industry."

The institute has also been working tirelessly to put Ethiopia among the best hospitality service providers globally and build its positive image among the international community, the director general remarked.

Participants drawn from five states namely Sidama, Afar, South Ethiopia, Gambella, and Harari states are displaying their different cultural foods in the symposium in a bid to such dishes access Addis Ababa's star-designated hotels. The 11th Tourism and Hospitality Week will last until June 13.

News

Bureau foresees private sector's active role in childcare

• Marks Int'l Day of African Child

BY BETELHEM BEDLU

ADDIS ABABA-The private sector's meaningful involvement in advocating childcare and safety is of great importance, the Addis Ababa City Administration Women, Children and Social Affairs Bureau said, calling for more push for the cause.

The International Day of the African Child was celebrated for the 34th time in Africa and for 33rd time nationally under the theme "Education for all children in Africa: the time is now" here yesterday.

Speaking at the occasion, the Bureau Head Woynishet Zerihun stated that they have been carrying out several children-centered activities that are worth the active involvement of the private sector and other concerned bodies.

Woynishet also noted that the Ethiopian government's attention to implement

different initiatives including school feeding have greatly contributed to enhance the safety and protection of children in different aspects.

"Allocating some 250 million Birr, the Bureau has been implementing the Early Childhood Development (ECD) program. In the half-budget year, over 10,800 pregnant and lactating women as well as children under the age of three have been receiving different support under the program. The Bureau has also facilitated the delivery of nutritional value foods for women as well as children."

Efforts have also been exerted in providing daycare centers not only to lift the burden off women but also to deliver standardized places where children would be looked after and protected, she emphasized.

Previously, women used to face difficulty in managing their outdoor activities as they lacked a place where their children would

be kept safely. In cognizant to this fact, the Bureau builds childcare centers that would serve the society in various situations.

The initiative that was showcased in the daycare service has been taken as an exemplary effort by different African countries mayors including different states in the country.

According to the Head, children's school enrollment has shown significant change following the activities that have been carried out in the school feeding program. Poverty was one of the major factors that used to hinder children from going to school.

"Nonetheless, the school feeding program has immensely contributed to lessen absenteeism rather than increased enrollment of children in schools."

Woynishet further highlighted the ongoing efforts that are being put in concert with concerned bodies with regard to adoption, child exploitation, school feeding, as well as

advocacy activities.

As part of the celebration of the International Day of the African Child, the Bureau is undertaking several awareness raising activities with relevant stakeholders of which the discussion with media professionals and communication officers was the one.

Presenting a paper at the program, Child Right and Safety Protection Team Leader with the Bureau Ananya Jacob stated that increasing the participation of teachers and parents as well as improving the education system and creating conducive learning environment should be prioritized to meet the motto of the day.

Mentioning employees of various institutions under the auspices of the city administration have been contributing one percent of their salary to support children who are in need, Ananya underlined that the task should not be left to the Bureau and the participation of the private sector is crucial.

Modeling...

the four 'Asian Tigers' have consistently maintained high levels of economic growth since the 1960s, collectively joining the ranks of the world's wealthiest nations.

In the 1960s, these nations' per capita gross domestic product was comparable to the poorest countries in Asia and Africa. Emphasis on manufacturing, export and saving was credited with the economic boom.

In the recent past, Prime Minister Abiy Ahmed's stopped in South Korea and Singapore for official state visit. The premier inked various accords with the wealthiest Asian countries. The visits can serve as opportunity for Addis Ababa to quickly learn from the economic models. And, economists recommend to consider relay the economic models while underscoring the need to restore political stability and peace to meet economic ambitions.

To grow at a pace similar to the Asian tigers, Ethiopia needs to work on improving the business environment, tackling corruption, minimizing bureaucracy, and creating more

investment opportunities, so said Eyob Tesfaye (PhD), who is a macroeconomist.

On his exclusive interview with *The Ethiopian Herald* Eyob who also works for the United Nations suggested that Ethiopia can adapt the experiences of these Asian countries to drive its own economic growth while signaling the importance of political stability and peace, tackling corruption, and focusing on the manufacturing sector and the specific products it should produce.

"Not only have the Asian Tiger economies, but also their surrounding countries, built resilient economic development. The backbone of these countries' success is their committed leadership and strong institutions."

Given Ethiopia's population of 120 million, Eyob urged the country to immediately embark on an aggressive manufacturing sector strategy, transitioning from labor-intensive to capital-intensive manufacturing.

Ethiopia's advantages, such as its labor potential, agricultural capacity, geographical

proximity to the Middle East, Europe, and Asia, as well as its hydropower potential, should be leveraged through four key interventions: agro-industry, manufacturing, an improved and modern export sector, and infrastructure and institutional development, Eyob added.

Ass.Prof. Habtamu Legese is an economics lecturer at Haramaya University. He stated that Asian tigers, especially starting from the 1960s, have been making sustainable economic growth that continues to this day. The main factor for their fastest economic growth is that they focused on exports, substituted imports, and pursued industrialization. Finance was crucial, so they worked on increasing savings.

Improving savings is important to increase the capital available for the manufacturing sector, Habtamu said adding that the current banking system, policies, and other factors in Ethiopia are not effectively increasing savings, as the high inflation and low-interest rates discourage people from saving and instead invest in assets like land.

He also underscored the need to invest in education, particularly for the skills required in the manufacturing sector, is another important factor. Human development is crucial for increasing the profitability of the manufacturing sector.

Eyob identified several barriers that Ethiopia needs to address, including land ownership and labor movement issues, modernize the export sector, diversify the manufacturing sector, attract foreign direct investment.

The economists stressed however the need to ensure peace and stability for the economy to stay afloat. The country must prioritize peace and stability to lay the groundwork for economic growth, said Business Administration lecturer at Hawassa University Legese Kutere.

He pointed to the Asian Tigers' ability to overcome longstanding conflicts as a model to emulate. He also stressed the importance of quality education, a robust digital economy, and a strong work culture that doesn't procrastinate, a comment seconded by Eyob.

Ethiopia...

effective multilateralism and putting development at the center of the global discourse were given emphasis, he said.

The Ambassador stressed the urgent need to retool multilateral institutional and an increased development financing and debt relief, in order to address and accommodate the legitimate interests of developing countries.

He also reaffirmed Ethiopia's resolve to the collective pursuit of peace and progress, inclusive and sustainable development, as

well as effective multilateralism.

Meanwhile, Amb. Taye held fruitful discussions with his Russian counterpart, Sergey Lavrov on the sidelines of the BRICS Foreign Ministers meeting. The parties discussed ways of strengthening their cooperation under the BRICS framework, and reaffirmed their commitment to further expanding the historical bilateral ties between the two countries.

Likewise, he held a fruitful discussion with

Naledi Pandor, Minister of International Relations and Cooperation of the Republic of South Africa on bilateral and regional issues of mutual interests including mechanisms to implement the strategic partnership agreement.

Ethiopian delegation led by Amb. Taye participated in the BRICS Ministers of Foreign Affairs and International Relations meeting that held on the 10th and 11th of June 2024 in Nizhny Novgorod, the Russian Federation.

Gov't 100-day...

during that period, the Office of the Prime Minister disclosed.

Produced as part of the ongoing documentation efforts of the Press Secretariat Unit of the Office of the Prime Minister, this book represents an addition to the body of annual documentation works.

It was learnt that these limited edition prints launched yesterday would be disseminated to essential Federal and Regional institutions, while the digital version would be made publicly available on the Office of the Prime Minister's website.

Opinion

Agenda setting crucial step towards resolving longstanding challenges

BY ADDISALEM MULAT

There is no denying the fact that national dialogue plays a huge role in taking the country to the next level of accomplishment at the earliest possible moment. It is certain that for dozens of years, the country has been confronting must-solve political polarizations turbocharged by divisive rhetoric. It is common knowledge that Ethiopia has been unquestionably harmed by decades of unsettled hindrances that still bring pressure to bear on the nation building process.

It is the most heartening decision for the country to come back to its political history and design its way forward for reconciliation, stability, and affluence on account of the fact that the socio-economic context and the unsettled political backgrounds.

It should be pointed out that following the backlogs of quandaries taking place in some parts of the country, Ethiopia has been passing through many twists and turns. However, taking the ongoing reality on the ground, the federal government has been undertaking all possible endeavors from widening democratic and political space to staging national dialogue.

Considering the current circumstances, the incumbent has been partaking in a diverse range of rewarding happenings that can wind down piled up conflicts through the passage of time. In point of fact, most of the skirmishes that spark in several parts of the country have been chalked up to socio-economic problems and other related aspects.

In a previous interview with *The Ethiopian Herald*, Anteneh Tsegaye (PhD), Assistant Professor of Intercultural Communication at Addis Ababa University said that a national dialogue's context and objectives have a significant impact on its development and outcome. There is no guarantee that any national dialogue will succeed, and many have failed.

They may include the strengthening of a culture of debate and free speech; the breaking of taboo issues; the entrenchment of certain norms of inclusion and representation of marginalized groups; and the ability to keep all the political actors inside the political process. There is no one blueprint for the success or failure of all national dialogues as every conflict's context and demand are unique and dynamic.

However, there are two central categories of factors that significantly affect the success or failure of the national dialogue; namely the political context factors and the design or process factors. Expected to address polarized views of the Ethiopian state by creating consensus on major national issues, Ethiopia has been carrying out an inclusive and game-changer national dialogue.

Following the historic national poll, the incumbent has been engaged in finding conciliatory gestures to expedite the nation-building process. If it is utilized properly, the national platform is also a genuine and millstone attempt to reconcile differences and to find a middle ground. The steps taken so far to ensure transparency in the early works of the national dialogue would lay a foundation for future undertakings.



NATIONAL DIALOGUE

unify | engage | mobilize

In the same way, national dialogue is undergoing a democratic and independent process. In fact, the public is the primary driving force to make it more sound and acceptable to all. This helps to bring each and every voice to the national platform. The dialogue is receiving public acceptance and many are pinning their hope on it to cement Ethiopia's democratic path and prosperity.

It is certain that beset by polarized political views and years of divisive rhetoric, conflicts have been surfacing in the country necessitating a genuine and transparent national dialogue.

In point of fact, Ethiopia is yet to redress the major bones of contestations and points of departure among political parties and the people as well. The failure to resolve differences has sometimes morphed into disastrous violence and conflicts.

In actual fact, the Commission was established with a view to addressing deep differences of opinions and disagreements on fundamental national issues among various political and opinion leaders stretching to the segments of society at the grassroots level. This being the case, it is imperative to resolve the differences and disagreements through broad-based inclusive dialogue that engenders national consensus.

The Proclamation No.1265/2021 provides the Commission with powers, which include establishing working procedures for the national dialogue process; selecting national dialogue participants; identifying differences among political and opinion leaders as well as sections of the society through conducting studies and organizing public consultations or by using alternative means. Accordingly, the Commission is making preparations to facilitate public consultations for agenda collection, the statement added.

Most importantly, the purpose is neither to please the outsiders nor to doge international criticism. While Ethiopia is ready to consider constructive support, the world has no choice but to stand by the will of the Ethiopian public.

It is crystal clear that for the realization of the national dialogue, the Ethiopian National Dialogue Commission (ENDC) has recently concluded agenda setting consultative chapter in some parts of the country. For instance, the ENDC has concluded agenda setting consultative chapter in Addis Ababa held for the last 7 days, according to information

obtained from local media.

National Dialogue Chief Commissioner, Professor Mesfin Araya told the media that the representatives of communities, associations and institutions, political parties and influential individuals as well as the three government organs discussed and identified agenda in five groups. The participants have exerted efforts to identify issues that they believe are the causes of the problems the country is facing, the chief commissioner added.

According to him, the process held over the past 7 days demonstrated that Ethiopians can address their differences through discussions. Ideas flowed endlessly during the dialogue, Professor Mesfin said, commending the participants for their outstanding efforts to raise the voices and needs of the communities and stakeholders they represented.

There was active participation in setting the agenda by giving a great deal of attention to ensure that all ideas gathered were included. The stakeholders of the dialogue have discussed thoroughly and gathered agenda items that they believe are important for further deliberations at the next level of the national dialogue conference. The agenda items are submitted to the Council of Ethiopian National Dialogue Commission, it was learned.

The chief commissioner further revealed that agenda setting's consultations will be conducted in all of the 12 regions and the Dire Dawa City Administration as well as at federal and diaspora levels.

It should be borne in mind that in recent times, the government has been carrying out a wide spectrum of activities with the intention of resolving conflict through dialogue among the various Nations and Nationalities residing under the umbrella of Ethiopia.

As one would expect national dialogue plays a major role in the nation-building process, forestalling discords and repairing hostilities of multiple types through dialogue with the audience and the conflict-resolution process. Apart from supporting living in peace and harmony, the national dialogue plays a major role in giving rise to stability as well as prosperity and taking the country to the next level of accomplishment at the earliest possible time.

In the seven days agenda gathering consultation organized by ENDC, Yohannes

Mekonnen, Ethiopian Citizens for Social Justice (EZEMA) Party Deputy Leader, said that the nation has faced multiple challenges that constraint it from moving forward. Hence, political parties are expected to curb the challenges at grass roots level through this platform.

Political parties are expected to come up with organized ideas that are relevant to leave past challenges behind. "Parties shall not bring common sense to the table; rather they are more welcomed to come up with organized thought that could help the nation move forward. Moreover, they need to make themselves ready not only to speak their minds but to listen to others willingly. Isolating self from the dialogue would only widen differences.

On her part, Rahel Bafe (PhD), Ethiopian Political Parties Joint Council Head said that National Dialogue is a new chapter for Ethiopia and the role of politicians and political parties is critical in realizing the goal of the National Dialogue. Political parties are expected to not only actively participate in the national dialogue but also to bring concrete ideas to the table.

Political parties need to focus on ways resolving the past and already existing challenges to create a better future. Not only political parties, but also everyone has the responsibility to exert utmost effort in order to hold fruitful dialogue.

It is common knowledge that the Ethiopian government has lately established National Dialogue Commission to build a 'common view among different groups and citizens for exchange of ideas in the context of its nation-building process.

The establishment of national dialogue plays a valuable role in forestalling potential skirmishes, and repairing aggressions of plurality of types through dialogue with the public. Regarding the significance and the challenges of the national dialogue a number of experts, scholars and other influential people have been tossing around ideas.

Editor's Note: The views entertained in this article do not necessarily reflect the stance of The Ethiopian Herald

Editorial

Heightening multifaceted partnership to advance international relations

The bilateral relations between Ethiopia and Russia date back a century-plus years, in 1898. Since then, the two sisterly countries' collaboration and cooperation in various areas have been strengthened and deepened in a way that takes into account each other's shared interests, reciprocal assistance and benefits.

These days, this time-honored Ethio-Russia cooperation and bilateral ties are burgeoning considerably making Ethiopia one of Russia's key partners in Africa. Russia's partnership and assistance to Ethiopia are bolstering in full swing and have seen new momentum in various fields, including agriculture, health, industrial and infrastructure projects, digital technology, energy, trade and investment among others.

Cooperation in the education sector has been and still is benefitting Ethiopia expressively in terms of capacitating its human capital. The scholarship programs offered by the Russian government to Ethiopian students to pursue their education and graduate in various streams from renowned Russian universities have enabled Ethiopian students to build a foundation for their future careers and contribute their share to their country's overall development.

Russia's initiation to invest in Ethiopia's healthcare infrastructure, for instance, to build 2,000 health posts alongside specialist training, is also another indicator that signifies the flourishing cooperation of the two countries.

Besides, the very important area of cooperation that Ethiopia and Russia have agreed to work together is space research and exploration. The move, in addition to advancing the knowledge and skills of Ethiopian scientists in the area, would develop its capacity in the field of space research- to explore objects in outer space and forecast potentially hazardous circumstances in near-Earth space.

The bilateral agreements made between the countries at different times and different conditions in various sectors, including industry, agriculture, education, investment, finance as well as space research, aside from strengthening ties, would build stronger bridges not only to benefit the existing ones but also transcends to generations.

Going beyond this, Russia's support for the admittance of Ethiopia to the BRICS+ group is the other important step that portrays the level of the two countries' partnership and collaboration in the global arena.

Today, June 12, the people of Russia are celebrating their national holiday – 'The Day of Russia.' The day marks the establishment of the present-day Russian Federation and manifests the new nation-building principles of independence, freedom and the rule of law.

As Ambassador of the Russian Federation to Ethiopia Evgeny Terekhin stated, on this specific day, on June 12, 1990, the Declaration of State Sovereignty of Russia was adopted, in which the supremacy of the Constitution of Russia and its laws was proclaimed. At the same time, the new official name of the country, the Russian Federation, was adopted, and it became an important milestone in strengthening Russian statehood. On the same day, in 1991, the first nationwide presidential elections were held.

"On this day, we honour our native country, our Russia, which we love and are proud of," Amb. Evgeny remarked.

As Russia celebrates its National Day, Ethiopia will remain and reaffirm its steadfast commitment to Russia to further strengthen its time-proven bilateral and multilateral relationship and work together on issues of mutual benefits and matters of global concern, like BRICS+.



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Opinion

Renewed interest of foreign investors to embark upon business in Ethiopia

BY STAFF REPORTER

Alongside the overall diplomatic activities which are the priority areas considering the current situation of the region, the government is also undertaking strong works in the field of economic diplomacy that plays vital role in bringing about more foreign direct investment.

Even though the country passed through difficult incidents in the past couple of years, it is still thriving to attract more foreign investment from various corners. For instance during the official visit by PM Abiy Ahmed (PhD) last week investors from Korea, India and Singapore have shown remarkable interest to invest in Ethiopia.

Ethiopia still continues to attract more foreign direct investment as it fulfills most of the criteria for it. With close to 90 % of its population being young it can provide a large number of affordable and quickly trainable work force that is one of the integral elements for competitive investment environment.

The young Ethiopians passion to work and transform their lives as well as their exposure to working environment in both local and foreign investment companies is very suitable. Majority of them have also passed through at least secondary school as well as post-secondary technical and vocational education and training.

Source of Energy is the other important sector for competition in making profitable investment. Sustainable and affordable source of energy is vital in making good investment at such large scale that Ethiopia is working towards. In this regard any foreign investor makes no mistake in making the country its first choice considering its source of energy.

Ethiopia is well known globally for its wealth in renewable energy resources. It has the potential to generate over 60,000 megawatts (MW) of electric power from hydroelectric, wind, solar, and geothermal sources.

According to IGAD there are clear and undebatable factors those entire foreign investors to deploy their money in Ethiopia without thinking twice. The major factors include Stable Economic Environment, Liberalised Economy which enables Remittance out of Ethiopia from invested capital (dividends and interest) and for principal and interest with technology transfer, proceeds from sales or liquidation of an enterprise, salaries and other payments. The investment code provides a conducive environment for private sector development. There are also sectors that allow full foreign ownership.

The Strong investment guarantees is also witnessed by the large number of foreigners who have worked and prospered in the country over the years. The country is signatory of various

international conventions and agreements that safeguard the rights and benefits of foreign investors.

The government is also generous in its attractive investment incentives as well as in terms of applying Conducive Tax Environment. What makes investment in Ethiopia so unique is that the country avails diverse types of investment sectors for foreign investors. The opportunities include agriculture, manufacturing, garment and Textiles, Horticulture, Energy production, Mining, Construction, Tourism, among others.

Ethiopia has a strong agricultural sector, contributing significantly to its GDP. The country's fertile lands offer opportunities for investment in crop cultivation and livestock farming. Moreover, the government has been implementing initiatives to modernize the agricultural industry, making it more attractive for investors.

Ethiopia has been actively promoting industrialization through its industrial parks and development zones. Investors can explore opportunities in textile and garment manufacturing, leather and footwear production, and other industries. The government's focus on creating a conducive business environment has attracted both domestic and foreign investors to the manufacturing sector.

As part of its vision for economic transformation, Ethiopia has been investing heavily in infrastructure projects. This includes roads, railways, airports, and energy infrastructure. Investors interested in construction, logistics, and energy can find ample opportunities to contribute to the country's development. Ethiopia is increasingly recognizing the importance of technology and innovation in driving economic growth.

The government has been supporting initiatives to boost the technology sector, providing opportunities for investors interested in areas such as telecommunications, fintech, and e-commerce. With its rich cultural heritage, diverse landscapes, and historical sites, Ethiopia has significant tourism potential.

The government has been working on improving infrastructure and promoting the country as a tourist destination. Investors in the hospitality and tourism industry can capitalize on the growing interest in Ethiopia as a travel destination.

The strong domestic market is substantiated by over 120 million population of the country which is the second largest in Sub-Saharan Africa. Its strategic location in the middle of the 'Horn of Africa' and the Middle East makes it a special choice for those who opt to engage in export sector that covers an export market to such wider market cache.

Editor's Note: The views entertained in this article do not necessarily reflect the stance of The Ethiopian Herald

Business & Economy

Exploiting renewable energy sources to build climate resilient economy

BY ABEBE WOLDEGIORGIS

Studies indicate that Ethiopia has abundant renewable energy sources that can transform the sector's landscape. Hydropower, solar, wind, and geothermal can be mentioned in this regard. Assela 2 wind farm project is among these renewable energy sources. It is a 150MW onshore wind power project. It is planned in Oromia, Ethiopia. According to Global Data, who tracks and profiles over 170,000 power plants worldwide, the project is currently at the dormant stage. It will be developed in a single phase.

Even though the nation is rich in these resources, it is lagging behind in developing and using partly because of the scarcity of finance, technology and human resource but mostly because of lack of initiation. However, the government has strived to exploit the resources in the past years and registered promising results. In real terms but, as per the resources available and the demand to energy, the effort exerted had been like a turtle walking.

The nation's potential attracts foreign investors to involve in exploration and exploitation of the resources. To this end, the Ethiopian Electric power (EEP) made an agreement recently with the Lebanese based company Dar Al-Handasah Shair and Partners a leading international multidisciplinary consulting organization in engineering, architecture, planning, environment, and project management for accomplishing the Assela Wind Farm project located in Arsi Zone of Oromia region.

While making an interview with local media, Tariq Naji Al-Qanni, Director of Operations of the company said that the company has previously completed a number of projects for Ethiopian Airlines, including designs for the Skylight Hotel and several terminals as well as a recently-finalized e-commerce center for the Ethiopian.

Since its founding as a specialized engineering company in Beirut in 1956, Dar has made its name with a series of large-scale projects spanning dozens of countries in the Middle East and Africa. While mentioning his company's activities on the project, Al-Qanni said that the project is the second one with EEP. It falls under the energy sector, namely renewable energy. EEP is striving to be number one renewable energy provider in the region.

The project consists of wind farms and it is viable kind of project the company engaged in. Exploiting renewable energy and particularly in wind energy is part of the company's endeavor. He also reiterated that his company is engaged in consulting works known for its promotion of sustainability.

In addition to ensuring sustainability, renewable energy projects such as PV (photovoltaic) or [solar], wind farms or hydropower are economically viable and support Ethiopia's efforts to build climate



The Assela 1 wind power project

It is a challenge and no one denies that in every country, energy tariffs are hot issues when trying to attract investors

resilient green economy. The project, not only transforms the nation's energy sector, but also helps the company to fulfill its vision of transforming the world into using renewable energy resources as opposed to fossil fuel in general.

As to him, the Assela wind farm project is actually an existing project. It was started years back but has not been finalized. His company came to support EEP in the last stage of the wind project and will work on the accomplishing task and also for the continuation of the project.

It also reviews the design, administers the contract, support and provides services, and oversees the successful completion of the project in accordance with the contract and in accordance with the specifications and aspirations of EEP. The company understood from the discussions that EEP is well capable of handling the project.

The company has the necessary technical knowledge helpful to oversee the project in a highly efficient manner. Not only in wind farms, the company has also had discussions with EEP officials on geothermal and strives to make the country the main source of green energy in East Africa. The Completion of the wind project will be expected between 2025 and 2026, hopefully earlier.

As to him, project cost is just one challenge

but it has been evolving very rapidly. The same thing goes for efficiency, which is evolving with time. Year after year, these improvements are helping to tap into the energy market. If they are not improving, they would die out of the market. But what is happening is not dying out. What is seen today is the popping up of renewable energy in every country. The good thing is all stakeholders are learning and cooperating on how to maximize the benefits of renewable energy.

As to Al-Qanni, the challenges of renewable energy are not specific to Ethiopia or African countries. It is a global challenge. Similar challenges are common in Europe, North America and Australia. It can be possible that replacing fossil fuels with renewable energy.

But, the more the pressure on fossil fuel energy consumption is reduced, the better the overall impact on the environment. That is why countries have made their number one choice of cultivating renewable energy sources for their energy demand.

It is the most efficient approach to build a wind farm near in a certain location to cover some demands. And in some other places one might need PV farms. And in some other areas it is possible to exploit geothermal. It really depends on the need, function, location and the resources available in the country.

After the completion of the project, the electric power generated from the wind farm will be connected to the national grid and accelerates the nation's energy diversification and no more depending on a single energy source.

As it is understood, currently, Ethiopia derives about 85% of its modern energy from hydropower. Renewable energy to Ethiopia is essential because it aspires to develop Climate Resilient Green Economy which was launched in 2007.

According to energy experts, for the country which is heavily vulnerable to

continuous drought and relying heavily on hydropower will have its own demerits. In time of extreme weather condition when drought occurs, the rain water which flows to the river that destined to the dam highly decreases which in turn declines the dam's electric power generation capacity.

To the other extreme, during the rainy season, the overflow of water in to the dam might destroy the dam's electrical equipments and disrupt its power generation process. Therefore, diversifying the energy sources can help to minimize the risk. This is what EEP is doing. If something risky happens, the country will have backup coming from other sources.

While reflecting his view on the tariffs issues that might be required from the company, Al-Qanni said that energy tariffs that attract private investors are a heated debate happening everywhere. For example, the company stayed in Jordan ten years and the matter is debatable. These are long-term commitments that the government is supposed to be making. The number of variables and unknowns associated with this long term commitment are scary. There are a lot of responsibilities and liabilities on the shoulders of those who are making the decisions. This is a topic debatable in every country. "Of course, as time passes, we are creating the knowledge and data required to make better decisions," he said.

It is a challenge and no one denies that in every country, energy tariffs are hot issues when trying to attract investors. Energy is a long-term investment. For investors, it is difficult to commit investment without deep study of all variables over a long time, and conducting thorough analysis. Governments also do the same to make the commitment.

"But Ethiopia is successful in attracting investors and stakeholders and the company is one of them. Had the government been pushing away international organizations, we would not have been here," Al-Qanni said.

Al-Qanni added that Ethiopia has unlimited potential in renewable energy. EEP has already started exporting energy to many countries such as Kenya, Sudan, Tanzania, South Sudan and others. It has become a source of revenue. So it is happening. It is generating foreign currency.

Many other projects are also happening in Africa. So there is no limit, given the huge energy demand in Africa. Using different mechanisms, developing countries like Ethiopia can even supply energy to countries far away.

According to Al-Qanni, the first involvement of his company in Ethiopia was in the designing of EEP headquarters at Mexico Square, Addis Ababa. The company completed the concept design for the headquarters and, currently it is doing the detail design. It will have more than 60 floors. It will be the tallest building in the city. His company is still in discussions with the client and the tower will have green energy sources of its own.

Art & Culture



The jewels in Gondar's crown: Church architecture, folklore art, ecclesiastical musical instruments, liturgical equipment embodying religious narratives

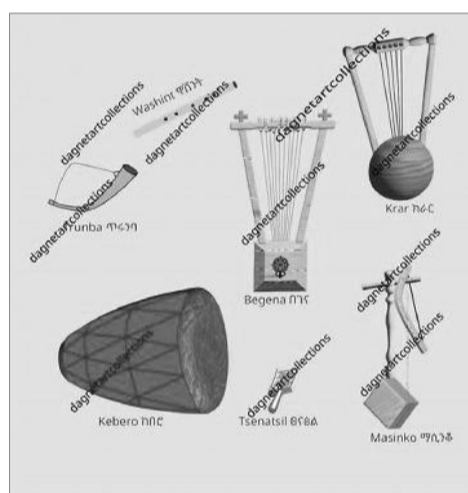
BY DAGMAWIT HADGU

During the reign of Emperor Fasilides, a significant architectural and cultural transformation took place in Gondar, marking the beginning of what is often referred to as the Gondarian period. Throughout this era, which saw the rule of 18 emperors, a remarkable 44 churches were constructed, earning Gondar the illustrious title of “The Country of 44 Arks.” This moniker reflects the city’s rich religious heritage and its status as a hub of Ethiopian Orthodox Christianity. Each of these churches stands as a testament to the architectural ingenuity and devout faith of the era, contributing to Gondar’s reputation as a historical and spiritual center in Ethiopia.

Among these churches, “*Negeste Adbarat Debre Birhan Kidest Silase*,” literally translated as “A Saint Trinity and Mountain of Light,” stands out as one of the most stunning and significant historical and tourist sites in Gondar. Constructed in the 17th century by Emperor Eyasu the Great, this church is a prime example of the architectural and cultural achievements of the Gondarian period. Its intricate design and historical importance make it a key destination for visitors.

This church is distinguished by its unique architectural design. It does not only reflect the religious devotion of its time but also serves as a testament to the rich heritage of Ethiopian Orthodox Christianity and the enduring legacy of Gondar’s emperors.

The church is constructed from pure lime and hewn stones. The churchyard is divided into three parts. The first part, known as “*Tire Kab*,” was built during the reign of Emperor Yohannes IV. This section was designed to accommodate individuals who, for various reasons, cannot enter the church. It provides a space for them to pray and participate in religious activities.



In the second part, located adjacent to “*Tire Kab*,” stands a large fence constructed by Emperor Eyasu the Great. Within this section, there is a building featuring a lion design. This architectural structure symbolizes the forehead, eyes, ears, and legs of a lion, serving as both the entrance and exit. The door is adorned with the shapes of saints.

Legend has it that in the 19th century, during the Sudanese invasion, the Mahdists attempted to attack the church. However, they were unable to penetrate the second part. According to elders, the Mahdists were thwarted by an angelic arc on the door, which took the form of a bee

As a result, this church in Gondar remains the only one undamaged by either the British or Mahdist invasions.

Behind the lion’s design, there are three crosses, typically known as Gondar’s, Aksum’s, and Lalibela’s crosses, placed by the order of Emperor Eyasu the Great. After entering this gate, there are twelve egg-shaped towers, which illustrate the twelve apostles, the twelve tribes of Israel, and the months of the year. These 12 towers have served as a living place for monks for several years.

In the third part, the Debre Birhan Kidest Silase stands out with its 9-meter height and

29-meter length. Unlike the typical circular layout of Ethiopian Orthodox churches, Debre Birhan Kidest Silase is designed in the shape of Noah’s Ark, giving it a distinctive rectangular form.

An intriguing feature of the church is the ostrich egg placed on its ridge. This serves as a symbolic illustration of the nature of ostrich hatching. Ostriches exhibit a unique way of incubating their eggs, involving a combination of nesting behavior to the incubating process. Both parents take turns incubating the eggs: the female during the day, using her lighter coloration to blend in with the environment and avoid predators, and the male at night, using his darker feathers to remain less visible in low-light conditions. This cooperative breeding strategy, with both parents involved in incubation and protection, significantly increases the chances of survival for the ostrich eggs and chicks.

Therefore, the Ethiopian Orthodox Church places the ostrich egg on the ridge to illustrate that human beings cannot survive without the protection and watchfulness of God. This symbol reinforces the belief that just as ostrich parents diligently care for their eggs, God provides constant care and protection for His creation.

Inside the church, every inch of the walls is covered with glowing representations of biblical verses, beautifully painted. According to the church history, book “*Negeste Adbarat Debre Birhan Kidest Silase*,” these paintings clearly reflect the Gondarian period folklore art. This period’s paintings are characterized by the depiction of emperors about religious activities and the portrayal of Ethiopian saints dating back to the Axum Empire. The pictures are framed with intricate designs of flowers and crosses.

The artwork in the church was created by Aba Hailemeskel Woldu, who meticulously integrated Ethiopian customs with the histories of the Old and New Testaments. His paintings

were designed to be easily understood and appreciated by the congregation, enhancing the visual storytelling within the church. Through his careful consideration of cultural and religious contexts, Aba Hailemeskel Woldu has ensured that the artwork serves as a powerful and accessible medium for conveying spiritual narratives

In the eastern part of the church, there are paintings depicting the 7th Heaven, also known as the Throne of the Holy Trinity. The western side illustrates the manifestation of the Virgin Mary. The northern part portrays the story of the Virgin Mary, beginning with her parents and her birth, along with paintings of other saints. The southern side features the story of Jesus Christ, including his baptism, the devil’s attempts to challenge him, the manifestation of his divinity on Mount Tabor, and scenes of his teachings. These artworks collectively enrich the church’s visual narrative, offering a comprehensive portrayal of key religious figures and events.

In addition to the paintings the church also possesses several and aged utensils and liturgical equipment. This equipment is classified into two; “*yezema mesarya*” (song equipment) which contains types of equipment used for songs and paintings of utensils and equipment such as “*kebero*” (large drum), “*Tsinatin*” (*sistra*), “*Mekuamiya*” (standing stick) “*Mesenko*” (one-string violin),

The second classification of utensils and equipment is known as “*website mekedes megelgeya*” (things used for the usage of church) this includes equipment out of song equipment.

Debre Birhan Kidest Silase is one of the most beautiful and significant tourist sites in Gondar. Most visitors explore Debre Birhan Selassie as part of a broader tour of the city, which typically includes visits to Fasil Ghebbi and Fasilides’ Bath. Miss it if you come to Gondar!

Global Affairs

Biodiversity meetings in Nairobi end, all eyes are now on COP16

Regions struggling to revise and update their National Biodiversity Plans aligning them with the Global Biodiversity Framework adopted at COP15, will now be given the technical and scientific support to develop and submit their plans on time.

This was one of the key decisions of the 4th meeting of the Subsidiary Body on Implementation (SBI)—the crucial pre-COP meetings of the United Nations Convention on Biodiversity (UNCBD)—to review the status and challenges of implementing the Global Biodiversity Framework (GBF), which started on May 22 and ended in Nairobi late in the evening of May 29, 2024.

More than 1000 participants from 143 countries gathered for the nine-day meeting, which UNCBD referred to as one of the “largest SBI meetings ever,” to discuss a variety of issues pertaining to the timely implementation of the GBF. As the meeting ended, the participants came up with a list of recommendations that will be presented for nations to consider at the next Biodiversity COP (COP16), scheduled to be held in October in Cali, Colombia.

National Biodiversity Strategic Action Plans

In December 2022, at the COP15, parties agreed to revise and update their national biodiversity plans (NBSAP), aligning the targets with the global biodiversity framework that was adopted at the COP. These updated plans are to be submitted to UNCBD by or before the next COP, scheduled to be held in October.

However, as earlier reported by IPS, despite being just five months away from the next COP, only 11 countries have submitted their NBSAPs, while the majority of the countries have not, citing various reasons, including a lack of capacity and resources.

The top agenda item of the SBI has been reviewing these reasons and recommending steps that can help countries close this gap and complete the task of submitting their plans on time.

Capacity building

After the nine-day discussions, delegates at the SBI decided that it would be necessary to provide all countries with specific technical and scientific support that can help them develop their NBSAPs and submit them on time. To provide this support, SBI decided that a network of technical and scientific support centers would be set up at regional and sub-regional level.

According to Chirra Achalender Reddy, Secretary, National Biodiversity Authority, India, and the chair of the SBI-4 meeting, the recommendation to set up these support centers was one of the key decisions made at the meeting.

“I thank the parties for their commitment to implementation of the Convention, as demonstrated by their engagement during the negotiations this week. While we have many issues to resolve at COP16, the foundation is laid for our discussions in Cali, Colombia, later this year,” said Reddy.

Elaborating further on the decision, David Cooper, Acting Executive Director of the UNCBD, said that 18 regional organizations have been selected worldwide as the support centers. “They will foster and facilitate



David Cooper, acting Executive Director of UN Biodiversity and Chirra Achalender Reddy, chair of SBI-4, address the press conference.

technical and scientific cooperation as countries harness science, technology and innovation to help halt and reverse biodiversity loss by 2030.”

Cooper also expressed hope that, in the future, these 18 organizations could create more such support centers, expanding the network from regional and sub-regional to national level.

“These sub-regional support centers will also promote technology transfer among countries, including through joint research programs and joint technology development ventures, acting as “one-stop service centers” offering wide-ranging resources to help meet Biodiversity Plan targets. The centers are expected to help expand, scale up, and accelerate efforts such as the existing Bio-Bridge initiative,” Cooper added.

Resource mobilization

In the Global Biodiversity Framework, the financial ambitions set out include investing USD 200 billion a year from both public and private sources until 2030. In addition, the goal also includes saving another USD 500 billion by ending subsidies that are harmful to biodiversity yet are still practiced by countries. This will bring the total available finance for biodiversity conservation to USD 700 billion per year until 2030, the deadline to achieve all GBF targets.

At the SBI, there was an intense discussion on resource mobilization. Several countries complained that, despite being signatories to the GBF, they had not been able to access any resources meant for biodiversity conservation, especially the Global Biodiversity Framework Fund (GBFF), which was launched last year and is managed by the Global Environment Facility.

Delegates from Syria, who spearheaded this discussion, revealed that their country had not been able to receive any money and suggested that the final document prepared by the CBD Secretariat reflect this. Syria’s voice was amplified by Russia, which said

that Syria’s inability to access resources should be interpreted as a denial of resources.

Almost all the governments also discussed their own parameters for national biodiversity finance plans, the role of multilateral development banks, existing UN initiatives, and private finance.

An important discussion that took place was about setting up a new Global Biodiversity Fund, separate from the current Global Biodiversity Framework Fund (GBFF).

Gender and indigenous peoples

One of the most interesting developments that took place on the sidelines of the SBI meeting was the launch of a training module by Women4Biodiversity, a group that advocates for gender mainstreaming across all 23 targets of the GBF and participates in the meetings as an observer.

Titled “Training Module on Advancing Women’s Rights and Gender Equality in the Implementation of the Kunming Montreal-Global Biodiversity Framework,” the document was prepared in collaboration with World Wildlife Fund (WWF).

Speaking to the press about the training module, Alejandra Duarte, Policy Associate at Women4Biodiversity, said the main objective of the publication was to serve as a source of information for decision-makers, negotiators, indigenous peoples and local communities, women, youth, civil society, businesses, and the whole of society who are engaged in the planning, monitoring, and implementation of the Biodiversity Plan.

Mrinalini Rai, Director of Women4Biodiversity, also explained that the module was created to be understood by all and customized as per the context, community, or country.

Supporting Rai’s comments, Cristina Eghenter, senior global governance policy expert at WWF, said, “I hope that the module will help understand the gaps and what needs to be done for women to be a

part of the Biodiversity Plan.”

Rodah Rotino, an indigenous community leader and President of the Pastoral Communities Empowerment Programme (PACEP), a Kenya-based women-led NGO, highlighted the contribution of indigenous women to biodiversity conservation across the world, including Africa.

“In my community, we have started a seed bank that preserves indigenous tree seeds. We plant indigenous plants that help preserve and conserve the local biodiversity and help community members benefit from their many uses, as they have done for centuries,” Rotino said, citing the example of her own community in West Pokot County, where women have started several initiatives. “We even promote the use of our traditional food systems, including the use of traditional indigenous crops, fruits, and vegetables, and we are seeing that after using these, our people, especially women and children, have many health improvements and quick recovery from some ailments. In short, we are going ahead with using our indigenous knowledge without even waiting for the formal implementation of the GBF.”

What’s next

In Cali, Colombia, the CBD secretariat will present the decisions of the SBI-4 and the SBSTTA to the nations for their consideration and adoption.

However, just before the COP begins, yet another SBI meeting (SBI-5) will be held in Cali. The sole focus of that meeting will be to review the latest status of the national biodiversity plans and the plans that will be submitted between now and the COP.

“Right now, countries are in various stages of developing their NBSAPs and by October, we expect most of them to complete and make the submissions. The SBI-5 will review the plans and the status then,” Cooper explained.

(SOURCE: INTER PRESS SERVICE)

Law & Politics

A myopic act of boomerang

BY EYUEL KIFLU

The news that Somalia seeks to withdraw Ethiopia's troops at the end of this year came as bombshell. Reuters reads, "Security experts and foreign diplomats said the move risks further destabilizing Somalia as local forces would be unable to fill the security vacuum, which would likely be exploited by fighters from Al-Shabaab, an affiliate of al Qaeda."

Thousands of Ethiopian soldiers are stationed in the Horn of Africa country as part of an African Union peacekeeping mission (ATMIS) fighting Al-Shabaab, which controls large portions of Somalia, while an estimated 5,000–7,000 are stationed in several regions under a bilateral agreement. Many feared that the decision will be counterproductive posing security threats not only to Somalia but also the entire region.

Besides, Ethiopia gives many Somalia's policemen and officers training in its police college. Those trainees' budgets are covered by the university. In this regard, Ethiopia's contribution to Mogadishu peace and stability is solid.

However, the recent Somalia's officials call for the withdrawal of Ethiopian troops is short-sighted and likely to backfire and create security vacuum in the region beset by violence.

Ethiopia's troops are deployed there to fight Al-Shabaab under ATMIS and also in bilateral agreements between the two countries. The number of Ethiopian troops deployed in Somalia is high compared to other countries. So, this speaks volume on the contribution of Ethiopia that the sustainable peace of Somalia is backed by the people in Ethiopian uniform. Unless Al-Shabaab stops its attack, the current villa Somalia governor's decision to withdraw Addis Ababa troops may cost the former an arm and a leg.

Al-Shaba's recent offensive showcases the challenges the criminal group posed against the Somalia's central government. According to The Defense Post, About 350 kilometers (215 miles) north of the country's capital, Mogadishu, the Somalia government reported that five of its soldiers had perished in a battle on Saturday that claimed the lives of almost 50 members from the Islamist terrorist group Al-Shabaab.

After learning of an Al-Shabaab attack planned in Ceeldheer, in the Galgaduud region, government troops and allied militia forces set up an ambush and "destroyed" the terrorist group, according to a statement.

The authorities claim that their forces engaged in combat and killed at least 47 members of the extremist group, losing five soldiers in the process. They added that airstrikes against Al-Shabaab forces were also conducted. Claiming credit for the attack on Ceeldheer was Al-Shabaab.

With this reality, withdrawing troops from Somalia may worsen the situation in the region as well as create a resurgent chance for Al-Shabaab.

Despite this, Ethiopia's decision to send troops underscores its commitment to promoting peace and security in Somalia, a



The deployment of Ethiopian troops is seen as a positive step towards fostering greater stability in the Horn of Africa region

country that has long been plagued by conflict and instability. The presence of Ethiopian forces enhances ATMIS's capacity to counter extremist groups such as Al-Shabaab, which continue to pose a threat to the stability of the region.

The deployment comes at a critical time for Somalia, as the country grapples with political challenges and ongoing security concerns. By contributing troops to AMISOM, or ATMIS, Ethiopia is playing a crucial role in supporting the Somali government's efforts to maintain peace and security within its borders.

Ethiopia's involvement in Somalia reflects its broader commitment to regional security cooperation and peace building initiatives. The deployment of Ethiopian troops is seen as a positive step towards fostering greater stability in the Horn of Africa region.

As Ethiopia works alongside other ATMIS member states, the collective efforts of these countries are expected to strengthen the capacity of Somali security forces and contribute to lasting peace in the region. Also, it brings a tangible change in Somali security.

According to Samuel Tefera (Ph.D.), a researcher at Addis Ababa University, Ethiopian troops have sacrificed and lost lives over the past 15 years in an effort to help stabilize Somalia and fortify the Villa Somalia administration. Tefera spoke with *The Ethiopian Herald* recently.

Samuel recalled that during President Siyad Bare's tenure, Somalia devolved into a dispersed nation devoid of a centralized administration, with the political structure split between clan heads and smaller groups. 2008 saw the height of Somali piracy, prompting Ethiopia, Kenya, and Djibouti to establish the Djibouti Code of Conduct as a countermeasure.

Following multiple conferences in Addis, which resulted in the formation of a transitional government and the entry of AMISOM, which significantly increased the stability of the nation, Ethiopia and other

nations joined Somalia.

Ambassador Muktar Mohamed emphasized Ethiopia's significant efforts since 1991 to keep Somalia safe and secure. Ethiopia has been instrumental in the formation of Somalia's central government through multiple agreements with warlords in the country.

Additionally, Ethiopia backed Abdullahi Yusuf's internationally recognized transitional administration in Mogadishu. The help Ethiopia has provided to international peacekeeping operations in Somalia, as highlighted by Ambassador Muktar, has allowed the country's legitimate government to take control of Villa Somalia. In the absence of a recognized central authority, Somalia might have served as a base of operations for Al-Qaeda and other terrorist organizations.

According to the ambassador, Ethiopia was one of the first nations to create an embassy in Mogadishu when the legitimate transitional government was established, opening the door for other nations to do the same in Somalia.

Ambassador Muktar underlined that a large number of Somalis fled to Ethiopia in search of safety following President Siyad Bare's invasion of Ethiopia and the civil war that broke out in Somalia. In compliance with both international refugee legislation and Ethiopian hospitality, these refugees have been welcomed by Ethiopia. Owing to attacks by Al-Shabaab, a large number of Somalis are still migrating to Ethiopia.

So, no one can deny Ethiopia's contribution to Mogadishu's causes. In this regard, if the former troops withdraw from the latter, it could potentially lead to increased instability and security challenges in Somalia and beyond. This withdrawal might create a power vacuum, allowing militant groups like Al-Shabaab to gain more control and influence in the region. It could also impact the on-going efforts to stabilize Somalia and disrupt the progress made in combating terrorism and promoting peace in the country.

INTERNATIONAL News

ADDRESSING THE TRIPLE THREAT OF DEBT, CLIMATE, AND DEVELOPMENT

As the world speeds past the target of keeping warming to 1.5 Celsius above preindustrial levels, developing countries are particularly hard hit by the triple threat of indebtedness, climate vulnerability, and underdevelopment. According to the IMF, 60 percent of low-income countries and 25 percent of emerging market economies are in, or at risk of, default. Debt servicing levels are at record highs, displacing spending on health, education, and social services.

The most indebted countries are also among the most vulnerable to climate change. Failing to address this crisis threatens a humanitarian catastrophe in which the countries least responsible for the climate crisis will face its worst effects.

At the global level, non-debt-creating finance can help developing countries escape the vicious cycle of indebtedness and underdevelopment. At the national level, developing countries should expand social spending and, where possible, implement green industrial policies that can put them on a path toward sustainable development.

The Triple Threat

The COVID-19 pandemic and interest rate hikes by the U.S. Federal Reserve have been major drivers of the growing debt burden of developing countries. The International Monetary Fund (IMF) was at the forefront of the pandemic response. Its meager emergency funding measures, however, failed to provide adequate relief to developing countries. These countries had to resort to borrowing from the IMF at higher interest rates and with surcharges. Over 70 percent of financing disbursed by the IMF to emerging and developing economies between March and July 2020 was at market rates and with strict rules governing repayment. In February 2022, meanwhile, the Federal Reserve began implementing the most rapid interest rate hikes since the 1980s, exacerbating the already intensifying debt crisis.

Efforts to address the debt crisis began in 2020 when the G-20 created the Common Framework for Debt Treatment (CF). Sovereign debt crises present a unique challenge because there is no mechanism to arbitrate between the diverse array of creditors and claimants. Sovereign debt is held by private institutional investors, banks, multilateral lenders, and bilateral lenders. Previously, the majority of bilateral lenders were represented by the Paris Club, a group of major creditor countries. However, China and other non-Paris Club countries are now significant players in bilateral lending, rendering even this flawed system unworkable.

The CF made some headway in bringing Paris Club and non-Paris Club creditors into a shared resolution process. However, it did not include multilateral lenders and failed

to compel private creditors to participate in debt negotiation.

Tackling Debt and Climate

Other options for addressing the debt crisis include issuing more Special Drawing Rights (SDRs) and ending IMF surcharges. These steps are necessary and important. However, even without a new SDR issuance, existing SDRs can be leveraged to address the debt crisis as outlined by the Debt Relief for A Green and Inclusive Recovery Project. SDRs can be used to finance a guarantee facility. This facility would restructure and swap existing debts with green financial instruments. Participating in this debt swap would require all bondholders, including Multilateral Development Banks (MDBs), bilateral lenders, and private creditors to take haircuts—reduced rates of repayment—at the same level. This would ensure that these debt swaps offer genuine and deep debt relief. In exchange for these haircuts, private creditors would be offered guarantees on a portion of their debt. This debt swap would resolve existing debt burdens and unlock \$250 billion in climate finance.

If the financing made available by these swaps is to truly support a green and just transition, the mechanisms of the green financial instruments that the proposal puts forth need to be considered more carefully. For example, the authors suggest that financing can be connected to countries' Nationally Determined Contributions (NDCs) under the Paris Agreement. The Paris Agreement pushes countries in the Global South to use carbon markets to meet their climate commitments. These markets are fraught with fraud and backed by violent evictions of indigenous communities. Moreover, they often create opportunities for veiled emissions and bring the planet no closer to the goal of decarbonization.

Other suggestions in the proposal such as using sustainability-linked bonds should also be regarded with caution. Sustainability-linked bonds penalize issuers by threatening higher costs of borrowing should they fail to meet certain narrowly defined indicators. This would only pose further impediments for debt-distressed countries that are struggling to make a green transition by blocking financing when they need it the most. These disciplinary mechanisms are better suited to large corporations than debt-distressed countries, since they put these countries at further risk of indebtedness. All “green” financial instruments—including green, sustainability-linked, or ESG-linked bonds—subject developing countries to the shenanigans of rating agencies that are only now beginning to design methodologies for climate credit scores. In many cases, these ratings have been shown to consider climate vulnerability as a risk that could result in rating downgrades and impose

greater borrowing costs on countries that need financing the most.

Ultimately, developing countries will need to undertake ambitious green industrial policies that protect vulnerable populations from the effects of the climate crisis and chart a path towards sustainable, redistributive growth. No single policy can address this daunting task on its own. However, well-designed debt-for-climate swaps can act as a building block by excluding both carbon markets and “green” financial instruments from their scope.

Debt Justice

Partial standstills on debt payments, while helpful, may not suffice to encourage private creditor participation. The financialization of sovereign debt has created a plethora of financial instruments and creditor classes via secondary markets for sovereign debt. Many private creditors, especially vulture funds, are unlikely to be enticed into debt resolution. If even a small minority of private creditors refuse to participate in debt resolution they can impede the entire process via legal action. This famously happened in the case of Argentina, when private creditors holding only 7 percent of the country's debt sued and impeded debt resolution.

To prevent private creditors from posing an obstacle to debt resolution, all claimants must be bound by a resolution reached by a majority of creditors. To ensure the integrity of such a process, this mechanism would need to be independent of any existing creditors. The United Nations could create an independent debt workout mechanism by passing a resolution or adopting a treaty to do so. In the long term, this would need to be supported by statutory reforms in New York and London that would codify a duty for creditors to participate under the mechanism, immunize debtor country assets during negotiations, and bind all claimants to a decision reached by a majority of creditors.

Even with these reforms, public financing from multilateral development banks (MDBs) would still be subsidizing private profit via guarantees. This trade-off is more than acceptable considering the existential stakes of the climate and debt crisis. However, in the future, debt crises must be prevented from spiraling out of control in the first place. The ostensible purpose of creating international capital markets was that states could use sovereign debt as a tool to finance economic development.

However, the market mechanisms that price risk fail to disincentivize unsound investments. Instead, they simply transfer these risks onto debtor countries by forcing higher costs of borrowing upon them. For example, even when Sri Lanka was on the verge of default, it still borrowed millions in capital markets to service existing

debt. Markets were ready and willing to offer this financing—albeit at very high rates—because they were flooded with yield-seeking capital at the time. Ultimately, this problem will require a broader transformation in how international capital markets are understood, used, and regulated.

Climate Finance Targets

Helping indebted countries out of their hole is necessary but not sufficient in terms of meeting existing needs for climate finance. Debt-for-climate swaps can make \$250 billion in climate finance available, but this would still leave a large financing gap. Estimates of climate finance needs vary greatly from as little as the OECD's commitment of \$100 billion per year to \$1-3 trillion per year depending on who you ask.

Despite anxieties that shareholder governments are unwilling to facilitate this financing by recapitalizing MDBs, several options for MDB recapitalization remain unexplored. One option that has been proposed is rechanneling SDRs via MDBs. These SDRs could recapitalize MDBs by financing what are called hybrid capital instruments. These financial instruments are structured like bonds, which have scheduled interest payments but, like equity, have perpetual maturity. As such, they would recapitalize MDBs by serving as a permanent contribution to MDB resources. In response to advocacy efforts, the IMF has agreed to facilitate this process. However, they have capped the amount of financing to a total of SDR 15 billion which, if lent at a 1:5 ratio, could make SDR 75 billion in new financing possible.

Other proposals have explored the option of creating a new reserve asset. To mobilize \$2.5 trillion by 2030, central banks can invest as little as 0.5 percent of their foreign reserves in these new reserve assets to recapitalize MDBs by approximately \$60 billion per year. Lending at a 1:5 ratio, MDBs can expand lending to more than \$2 trillion by 2030. MDBs must use this new lending firepower to expand grant-based and concessional financing to create policy space for robust regulatory regimes that can direct a green transition in the Global South.

Addressing the combined debt, development, and climate crises require a huge influx of financing. And this financing must be done without increasing the debt burdens of developing countries. A financing mechanism that relies on a new global reserve fund can play a significant role in addressing unsustainable sovereign debt burdens and generating the financing for a green transition in the Global South.

Source: fpif.org

Planet Earth

The road to de-carbonization taking too long endangering the developing world

BY STAFF REPORTER

With the looming global climate crisis which is precipitated by high carbon emission, global de-carbonization agenda has become a hot topic throughout the world. At the center of the global de-carbonization agenda is Africa as it holds a significant position as a source of the largest portion of minerals that are integral inputs of the de-carbonization efforts.

But the path to de-carbonization seems very sluggish as many of the dialogues on funding de-carbonization, climate financing and related areas take too long and often end up without tangible outcomes.

For instance, climate home news.com reported that even the agreement that was reached at the Dubai COP 28 Summit was not repeated on subsequent similar undertakings. It says “it’s been less than six months since countries struck a historic deal to “transition away from fossil fuels” after bitter fights and sleepless nights at COP28. But, in Bonn right now, discussions on what to do next about the biggest culprit of climate change seem to have largely disappeared from the agenda.”

“It’s really jarring to see how quiet the conversation on fossil fuels has gone,” said Tom Evans, a senior policy advisor at E3G, adding that the trouble is this issue “doesn’t have a clear home at the UNFCCC right now”.

Climate home news further elaborated that last week negotiators clashed over whether that space should be the newly-created “UAE Dialogue” on implementing the outcomes of the Global Stocktake – the centrepiece of the Dubai climate summit.

Developed countries thought so and argued that talks should consider all elements of the global stocktake, including mitigation. But the Like-Minded Group of Developing Countries (LMDCs), which includes China, Saudi Arabia and India, retorted that the focus should be exclusively on finance and means of implementation. Small island states and the AILAC coalition of Latin American countries took the middle ground, pushing for discussions on all outcomes with a special focus on finance, according to observers and a summary of the discussions by the Earth Negotiations Bulletin.

Pending an agreement on that front, developed countries believe the mitigation work programme - a track set up at COP26 - is the only other natural forum to wrangle over emission-cutting measures. But negotiators there have failed to even agree on what should or should not be discussed.

An EU negotiator told Climate Home attempts to start a conversation on the way forward continue to be blocked by the LMDCs, with China and Saudi Arabia “the most vocal” among them. “The reason is that they fear this would put pressure on them to keep moving away from fossil fuels,” they added.

The LMDCs argued that discussions over



Developed countries thought so and argued that talks should consider all elements of the global stocktake, including mitigation

how to follow up on the COP28 agreement on fossil fuels are outside the mandate of the mitigation work programme. They have also hit back at rich nations accusing them of not doing enough to cut emissions.

Speaking on behalf of the group at a session hosted by the COP29 Presidency, the Bolivian negotiator said developed countries should be required to get to net zero by 2030. “The Annex 1 countries’ pathway to achieve net zero by 2050 does not contribute to solving the climate crisis, it is leading the world to a catastrophe,” he added.

In his intervention, the head of the EU delegation urged the COP28 and COP29 presidencies to “break the deadlock” on mitigation. “What are we waiting for?” he cried.

Shortly before, Yalchin Rafiyev, the lead negotiator for Azerbaijan’s COP29 presidency, had outlined his vision for the summit. The 1,918-word-long speech did not mention fossil fuels once.

Monday’s session on finance ended with concerns from both the Arab Group and the US that the current text collating views on the new climate finance goal (known as the NCQG) is “unbalanced” and may not produce an outcome that is “fit for purpose” by the end of the Bonn talks on Thursday. The NCCQ is due to be agreed at COP29 in Baku in November.

The 35-page “informal paper” - from which an actual negotiating text needs to emerge - is a hotch-potch of views on what the post-2025 goal should look like (a single target for public finance from rich nations or a multi-layered target with a range of goals covering various sources and purposes); who should contribute (only developed countries or a wider pool, even mentioning countries with a space programme!); and how much money (no quantified amount, a percentage of gross national income, or about \$1 trillion a year). And that’s only a taster of what’s in the document...

One major sticking point for the Arab Group on Monday was the lack of negotiations so far on the size - “quantum” - of the NCQG (it wants an annual \$1.1 trillion plus arrears from the existing \$100 billion goal). Its negotiator expressed disappointment that

everything else is being discussed in Bonn apart from that.

As the session came to the end of its allotted two hours, a long list of 23 delegations had yet to take the floor, including the European Union, the UK, China, Japan, Bolivia, South Africa and many African countries. It’s going to be a tough task getting through them in the last slot this afternoon – and with just three days left when will the real horse-trading start?

Iskander Erzini Vernoit, founding director of the Imal Initiative for Climate & Development, a Morocco-based think-tank, told journalists on Tuesday finance talks in Bonn had “not advanced significantly beyond where we started”, with the text going no further in resolving the fundamental debates. The way forward to Baku on the NCQG is “murky”, he warned.

On Monday, the World Bank’s board approved the bank’s role as trustee and host of the secretariat for the new “Fund for Responding to Loss and Damage” for an interim period of four years. This is a procedural step – which had to be taken before a deadline of June 12 - on the road to getting the UN-agreed fund up and running this year.

In a short statement announcing the decision, the bank stressed that the fund’s independent board will determine “key priorities, including financing decisions, eligibility criteria, and risk management policies”. The bank also made clear that it won’t play a role in raising money for the fund or deciding how to spend its so-far meagre resources.

Climate activist and loss and damage expert Harjeet Singh said the next step is to push on with setting up the fund’s secretariat, including appointing an executive director. The World Bank must facilitate the receipt of pledged funds while the fund’s board (which next meets in July) needs to adopt key policy decisions to enable earliest possible disbursement to affected countries, he said.

“It is crucial that the success of the Loss and Damage Fund is measured by how quickly and adequately those facing the harsh realities of the climate emergency receive support for recovery,” he told Climate Home.

At COP28, countries – including the host nation UAE – pledged close to \$700 million for the new fund, but substantive discussions about how to mobilise the amounts needed to cover fast-rising losses from extreme weather and rising seas have yet to take place.

In Bonn, climate justice activists are lobbying hard for the L&D Fund to receive finance under the new post-2025 goal. But developed countries are pushing back, saying there is no basis for this under the Paris Agreement, which refers to them providing financial resources only for mitigation (measures to reduce emissions) and adaptation to climate impacts.