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Ethiopia's quest for sea access legitimate: Premier

• Pretoria accord marks cultural shift for peaceful resolution

BY TSEGAYE TILAHUN

ADDIS ABABA - Ethiopia's quest for access to the sea is a legitimate move that respects the sovereignty of its coastal neighbors, Prime Minister Abiy Ahmed (PhD) stated, emphasizing the government's commitment to a peaceful approach.

Addressing MPs during the 36th Regular Session of the House of People's Representatives yesterday, Prime Minister Abiy stressed that Ethiopia aims to maintain relations based on a win-win approach. The recent request for sea access is rooted in the country's desire for mutual growth and cooperation.

Ethiopia has sought assistance from neighboring countries to gain sea access, with Somaliland being particularly responsive. "The Somali people are not just our neighbors but also our brothers and sisters. Ethiopians have sacrificed for Somalia's peace and unity," Abiy said. He emphasized Ethiopia's firm commitment to Somalia's unity and prosperity integrity, stating that Ethiopia has contributed significantly more to Somalia's than any other country.

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Ethiopia launches phase two tax compliance movement

BY FIKADU BELAY

ADDIS ABABA - The Ethiopian government has launched phase two of the national tax and customs law compliance movement to encourage citizens to fulfill their tax obligations and build a self-reliant, economically inclusive country.

Speaking at the event, Deputy Prime Minister Temesgen Tiruneh emphasized the importance of cultivating a culture of moral tax compliance among citizens. "It is necessary to work to create citizens who have the moral fortitude to pay taxes so that Ethiopia can get the income it deserves."

Temesgen also stated that the launch of this phase underscores the Ethiopian government's commitment to building a self-reliant and economically inclusive nation. By encouraging citizens to fulfill their tax obligations, the government aims to generate necessary resources for development projects and reduce

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PM praises fruits of corridor dev't project

BY MESERET BEHAILU

ADDIS ABABA - Prime Minister Abiy Ahmed (PhD) announced that the Addis Ababa corridor development project, designed to create a clean and livable environment, has produced significant benefits for many citizens.

The Prime Minister made this statement yesterday while responding to queries from lawmakers.

Abiy noted that the project in the capital has generated more jobs, improved living

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Ethiopia builds biggest economy in East Africa

• Nation sees over 7.9% economic growth

BY BETELHEM BEDELU

ADDIS ABABA - Prime Minister Abiy Ahmed (PhD) said that Ethiopia has emerged as East Africa's largest economy, achieving significant progress despite economic challenges aggravated by international and regional factors.

Prime Minister Abiy made this statement during the 36th regular session of parliament yesterday.

He also highlighted Ethiopia's ability to transform challenges into opportunities,

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VIP corridors out of streamlined effort nothing short of a miracle

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From garage menial work to entrepreneurship of brand luxury automobile

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Ethiopia seeks to internationalize Green Legacy Initiative

BY YESUF ENDRIS

ADDIS ABABA - Ethiopia is working to internationalize its Green Legacy Initiative (GLI), which has brought significant improvements in environmental conservation, the Ministry of Foreign Affairs (MoFA) said.

In a biweekly press briefing held yesterday, MoFA Spokesperson Nebiyu Tedla (Ambassador) stated that the GLI is receiving diplomatic support from regional and international environmental organizations. Due to the unpredictability of weather, he suggested that the initiative needs to be implemented globally.

Over the past five years, the initiative has been promoted across the continent, demonstrating its potential as a model to combat the environmental crisis faced by both Africa and the world. The spokesperson emphasized that the global climate crisis requires practical solutions, and Ethiopia's initiative shows that tangible actions, beyond conferences, can significantly

mitigate the impact.

The Ethiopian government has been committed and vocal in climate negotiations, criticizing developed countries for their carbon emissions and advocating for compensation for less industrialized nations. These diplomatic efforts are gaining international recognition, extending beyond the compensation agenda.

Ambassador Nebiyu also highlighted the importance of environmental conservation initiatives for trans-boundary natural resources like rivers. According to him, Ethiopia is supporting riparian countries by promoting sustainable river water flow. "Billions of trees have been planted so far. The MoFA is actively promoting the initiative."

In related news, the spokesperson briefed journalists on recent talks between Ethiopia and Somalia. He described the discussions as fruitful, emphasizing Ethiopia's commitment to resolving disputes through peaceful dialogue and cooperation.

It is to be recalled that Ethiopian Foreign



Affairs Minister Taye Atske-Selassie and Somalia's Foreign Affairs and International Cooperation Minister Ahmed Moallim Fiqi met in Ankara on July 2 through the Turkish

government's facilitation.

The two ministers agreed to meet again in Ankara on September 2, 2024, for a second round of discussions, it was learned.

First Ethiopia-South Sudan joint border administrators meeting kicked off

ADDIS ABABA -The Working Session of the First Ethiopia-South Sudan Joint Border Administrators meeting convened yesterday on the premises of the Ministry of Foreign Affairs of Ethiopia.

The two-day meeting aims to exchange views on issues of development cooperation, joint infrastructure development and advancing people-to-people relations among others.

In his opening remarks, Director General for African Affairs at the Ministry of Foreign Affairs Ambassador Fesseha Shawel emphasized the need to scale up the relationship between the two brotherly countries to the next level by addressing cross-border issues.

Ambassador Antipas Nyok, Director of Borders and Foreigners at the Ministry of Foreign Affairs of South Sudan, highlighted the importance of the deliberation to address issues of mutual concerns with the spirit of achieving mutual benefit, ENA reported.



Authority attributes seamless market linkages to improved coffee export

BY MENGESHA AMARE

ADDIS ABABA- The Ethiopian Coffee and Tea Authority (ECTA) has announced that the direct market linkage established among coffee producers, suppliers, and exporters is enhancing the country's coffee export trade.

Speaking at an exhibition in Jimma town, Ethiopian Coffee and Tea Authority Director General Adugna Debella stated that the event is crucial for strengthening the nation's export trade by revitalizing the strong association among producers in the spices and coffee sectors.

"Producing coffee and tea while maintaining the required quality standards is essential for boosting the country's economic performance and creating job opportunities for many citizens. In 2022, the country earned 1.4 billion dollars, and this year it has secured 1.3 billion dollars in foreign currency," he said.

Previously, producers and suppliers were connected through their representatives and had to sell at prices set by these intermediaries, which often prevented producers from receiving fair compensation from exporters. Adugna noted that this problematic trend has been addressed

through direct market linkage and facilitation, which now allows for fair and reasonable trading.

Eliminating brokers from the market linkage process has significantly improved the smooth flow of coffee marketing between producers, suppliers, and exporters.

Oromia State Trade Bureau Deputy Head Meseret Aseffa highlighted that the direct linkage of coffee producers, suppliers, and exporters has notably increased the national coffee export trade. She emphasized the importance of strengthening this beneficial trend to solve ongoing problems and enhance market linkages.

News



House approves 971.2 bln Birr budget for 2024/25 FY

BY BILAL DERSO

ADDIS ABABA - The House of People's Representatives unanimously approved the federal government's budget of 971.2 billion Birr for the 2024/25 fiscal year during its 36th regular session, attended by Prime Minister Abiy Ahmed (PhD).

The budget aims to achieve the government's plans, as stated by Desalgen Wedaje, Chairperson of the House of People's Representatives Planning, Budget, and Finance Standing Committee. He presented the report and proposal of the standing committee, highlighting that the budget was based on the medium-term development and investment plan and the objectives of the second Home-Grown Economic Reform Plan.

Desalgen emphasized that the budget for the 2024/25 fiscal year was prepared by evaluating the performance of expenditures and considering the financial capacities needed to accelerate economic and social development. The government focused on self-reliance in budgeting and prioritized poverty-oriented activities to enhance public benefit.

The report from the Federal Auditor General indicated frequent deficits in budget offices regarding adherence to government financial management laws and regulations. It was stressed that budget offices should use the allocated funds effectively for their intended purposes.

The chairperson underlined the importance of implementing the government's financial procurement and asset management laws and systems to ensure the approved budget's proper use. Ensuring accountability for the unsystematic use of the budget should be strengthened.

The resolution highlighted that tax is Ethiopia's largest income source. It also emphasized the need to address issues in tax collection and the problems of good governance raised by taxpayers. Modernizing and improving the efficiency of tax administration is crucial, along with informing the tax-paying community about the importance of paying taxes and avoiding evasion.

Efforts will be consolidated to meet the 612.7 billion Birr tax revenue plan set for the 2024/25 fiscal year, Desalgen remarked.

PM praises fruits of...

standards, and created a cleaner environment. "Mayors of 38 cities discussed the plan before its implementation in Addis Ababa. They are now expected to replicate this successful project in their respective cities," he said. The Prime Minister emphasized that the corridor development is for the common good and urged all stakeholders to collaborate. "We should not be satisfied with this result as we have a lot of work to do in the future."

Meanwhile, the Premier highlighted that some 30,000 kindergarten and nursery schools have been built, demonstrating the government's commitment to quality education. To make the education system more inclusive, the government is constructing boarding schools for disabled persons and women, with a modern school (*Yenegewa Tequam*) for women who had been commercial sex workers as an example.

However, he noted that the government is not currently building new universities, focusing instead on ensuring the quality and autonomy of existing institutions. The government spent 45 million USD to publish and import textbooks to address shortages.

Additionally, the Prime Minister reported that the reformist administration has built and delivered five ground plus eleven and twelve residential houses to low-income communities in the Aware neighborhood of Addis Ababa to improve their living conditions.

On the public health front, he stated that the government distributed 10 million vaccinations nationwide to prevent a cholera outbreak this fiscal year. Vaccinations were also administered in 58 districts to prevent measles, and mosquito nets were distributed to combat malaria.

Ethiopia launches phase two...

reliance on external aid.

Revenue Minister, Aynalem Nigussie, provided an update on the previous year's tax compliance campaign, highlighting that phase one ensured legal accountability, updated awareness procedures, and promoted a culture of tax payment. The ministry held joint discussion forums with religious leaders, former revenue and customs employees, and academic researchers to address tax compliance and morale.

Looking ahead, the minister mentioned that action will be taken against individuals hiding proceeds of smuggling and business fraud, in collaboration with federal and state security and judicial bodies. The next campaign will focus on tackling issues like

fake receipts and illegal market transactions.

Additionally, administrative action is being taken against employees involved in corrupt practices, and the tax payment system has been digitized to free customers from abuse and increase satisfaction.

The Deputy Prime Minister expressed gratitude to loyal taxpayers who have contributed to the country's development and presented recognition awards to states and municipal revenue bureaus for their efforts in the campaign.

The launch event was attended by Deputy Prime Minister Temesgen Tiruneh, Revenue Minister Aynalem Nigussie, and Customs Commission Commissioner Debele Kabeta, religious leaders, various senior officials, and loyal taxpayers.

Ethiopia builds biggest..

leading to an estimated 7.9% economic growth in the current budget year.

In this budget year, Ethiopia collected over 23 billion USD from exports, 6.5 billion USD from remittances, and 3 billion USD from Foreign Direct Investment (FDI). The export of goods, including oil seeds, crops, gold, and coffee, grew by 4% compared to last year's performance, generating more than 10 billion USD.

Ethiopia also saved 2 billion USD through import substitution in agriculture and industry, with over 40% of products now being produced locally. Banks registered a 24% profit increase, and savings accounts grew from 38 million Birr to 100 million Birr. Currently, 47 million people use mobile banking services, PM Abiy elaborated.

Regarding expenditure and revenue, the government collected approximately 466 billion Birr and spent about 716 billion Birr, resulting in a budget deficit of 2.5%. However, contraband, illegal trading, and tax evasion remain major obstacles to tackling inflation.

"Averting inflation is challenging while the government is engaged in developmental activities such as corridor development and striving to decrease the unemployment rate. Managing inflation requires narrowing the demand and supply gap through

enhanced productivity," the Prime Minister emphasized.

He further explained that the government collects taxes from 64,000 individuals and companies, amounting to 7% of the nation's GDP, and granted more than 10 billion Birr in tax exemptions for food items. The nation has not taken any commercial loans and has reduced its international debt to 17.5%.

Inflation has declined from 30% to 23%, with the 'Ye Lemat Tirufat' project playing a significant role in managing the inflation rate.

The industrial sector also saw success, registering 10.1% growth and the production capacity of existing industries reached 30% due to critical government interventions. Under the Ethiopia Produces movement, over 390 factories commenced production, and 217 factories became operational in Tigray State.

Over 3.8 million jobs were created, with around 3.4 million locally and 332,000 abroad. Additionally, 60,000 citizens were employed through remote work.

More than 15 million quintals of soil fertilizer were imported, with about 13 million quintals already distributed. Over 507 million quintals of products were produced, showing a 100 million quintal increase from the previous year, the PM remarked.

Ethiopia's quest for...

Premier Abiy also addressed Sudan's situation, clarifying that Ethiopia has not exploited Sudan's turmoil for its benefit. Despite Sudan's inability to pay for Ethiopia's power supply, Ethiopia has continued to provide electricity, demonstrating a commitment to brotherhood.

Furthermore, the Prime Minister highlighted the government's dedication to restoring services in Tigray State based on the Pretoria Peace Agreement. He described the agreement as an African cultural revolution providing African solutions to African problems without external involvement. The agreement aims to shape Ethiopia's future politically and has led to significant infrastructural and service sector rehabilitation in the state.

The reintegration of internally displaced

people (IDPs) into their homes in areas like Raya and Tselemt has provided relief and fostered cooperation among TPLF officials and the government. Sustaining peace and resolving issues through dialogue remains a priority for the government.

"The Pretoria Agreement marked a cultural shift towards peaceful conflict resolution," Abiy said. "Ceasing fire and restarting essential services like banks, airlines, and telecoms is in progress. We've started returning war-displaced citizens to their villages as per the agreement."

He reiterated the government's commitment to improving the livelihoods of people in conflict-affected areas, considering the reintegration process a major step toward ensuring lasting peace and development.

Opinion

Strategic alliance

BY GETACHEW MINAS

Strategic alliances between the state and private sector are joint and mutual agreements in which public and private enterprises work collaboratively. This association is also known as public-private partnerships (PPPs) devised to achieve common goals. These alliances coordinate the strengths, wealth, human and material resources of the two sectors. This is done for the purpose of delivering efficient and effective public services to the Ethiopian people. Both the public and private sectors are committed to strategic alliance for developing infrastructure and sector projects. These projects generally include agriculture, industry and services sectors. The public sector is generally engaged in the building of economic and social services. The economic services are mainly infrastructural ones including construction of roads, ports, storage facilities, and other similar services. The social services refer to health, education, housing and other similar public services. On the other hand, the private sector is normally engaged in the production of goods and services for the local and external markets.

Both the state and private sector jointly operate to deliver goods and services to the public. To ensure effectiveness, they base the delivery of goods and services on the demands of the consumers reflected in the market place. In so doing, the key features of their strategic alliances is based on: shared objectives, risk sharing, resource sharing, innovation and efficiency. Shared objectives as related to the public sector focus on public welfare, policy implementation, and infrastructure development. The private sector brings in efficiency, innovation, and investment capital. The public sector is focused on the promotion of welfare of citizens. This is realized through effective and efficient implementation of public policy and program. This policy reveals the goal of a program in which detailed activities and responsible parties are clearly indicated. The program shows the deadline for each activity, as well as the time and place of implementation. It also includes monitoring and evaluation (M&E) by the responsible authority such as the Ministry of Planning in Ethiopia. The periodic M&E report reveals achievement or failure in undertaking activities contained in a planned program.

In strategic alliance there is risk sharing among partners. Both parties have to share risks that are associated with projects. There is an anticipated risk that qualified and experienced managers of projects may not be available within the domestic labor market. Lack of skilled

professionals may be a major cause of failure in project implementation. Also, the lack of required financial resources leads to failure of projects as experienced in various sectors of the Ethiopian economy. Both skilled workers and finance have to be available before a project is undertaken. Operational failure leads to production and marketing risks. Producers fail to meet their obligation of supplying traders who operate in the market. This leads to marketing risks which implies penalties for failing to deliver goods and services to the consumers. To avoid such risks, it may be necessary to share resources among Ethiopian partners for developing joint strategies. They may utilize resources for enhancing expertise in the production and utilization of inputs.

Human resources development and utilization is critical for economic advancement. Skills development accompanied by work experience improves the capabilities of both management staff and workers. This contributes to the achievement of enterprise objectives more effectively. Such achievement in an enterprise leads to profit maximization at reduced costs of inputs. These inputs comprise land, labor, capital and management or entrepreneurship. Entrepreneurs select these inputs and combine them for raising productivity that guarantees profitability. This operation has forward and backward linkages. In other words, suppliers bring inputs to the producer on time and in the specified quality and quantity. The producer, in turn, supplies the market to meet the specified demand of consumers. When both the supply and demand sides are congruent, wastage of resources is diminished. Balancing demand with supply is the most difficult task of the economic planners and managers in developing countries, including Ethiopia.

All economic sectors that produce for satisfying the markets, both internal and external, may not have accurate information on quantity and quality of goods and services demanded. This may lead to unforeseen losses that may disrupt the production process. Information on demand may be collected or gathered by the producer to meet the needs of the market. A sample of consumers may be approached for gathering information on their market needs. This helps the producer to have some knowledge on what to produce for the market. Such information also helps the manufacturer to engage in some kind of innovation to meet market demands. The private manufacturing enterprises may engage in innovative solutions to meet the market challenges. In this situation, the involvement of the private sector in Ethiopia is critical for ensuring efficiency.

Efficient producers aim to deliver goods and services as effectively as possible. This implies that the private sector management practices are effective and efficient than others.

The “strategic alliance” between the state and private sector operators contributes to improved delivery of goods and services to the market. This strategy combines the efficiency of the private sector with the objective of the public sector to ensure accessibility and equity. This is very critical for Ethiopian consumers and investors. It saves costs through shared investments that minimize risks. In so doing, it reduces the financial burden on public finances resulting in economic efficiency and effectiveness. Moreover, the involvement of the private sector leads to output of higher quality due to competition and innovation. Lack of competition caused a decline in the standard of goods and services produced by both public and private sector producers. In the absence of competition, operators become less innovative in the production process. Lack of competition breeds fatigue and obstructs innovative ideas.

A competitive environment stimulates economic development in a given country. In Ethiopia, the focus on economic development and progress energizes the local economies through job creation and infrastructure development. With employment and income generation, demand for goods and services is created. To meet this demand, innovation and expertise is required. Access to expertise brings in specialized skills and knowledge from the private sector. Innovative experts may not be available in the public sector at all times. There is, therefore, a need for strategic alliance between the public and private sector. However, there may be challenges to such an alliance including divergent objectives, legal hurdles, transparency and accountability, risk management and management complexity. Each of these challenges may cause disruptions in the production of goods and services needed by the Ethiopian people.

The alignment of objectives of the private and public sector may be unattainable due to divergent interests. It is a challenge to ensure that both parties have aligned goals and priorities in different sectors of the economy. Achieving strategic alliance between the two sectors may imply regulatory and legal hurdles. In this situation, it is beneficial to the macro-economy, covering all economic sectors in a complementary fashion. This requires navigating the regulatory framework and establishing clear legal agreements. Such agreements bring the public and private sector operators that

ensure strategic alliance for transparency and accountability. Establishing transparency and accountability in operations and financial performance is crucial to gain public trust in Ethiopia. Sector agencies and private operators in the country have to come together in devising effective risk management strategies in their operations.

Effectively management and sharing of risks requires robust planning and communication. The agency responsible for planned operations devises ways and means of controlling wasteful risks in advance. However, coordinating the private and public sectors or two entirely different entities with different motivations, cultures and management styles may be complex and difficult to handle. In this regard, it is advisable for concerned Ethiopian agencies to learn from the experiences of successful developing countries. Good examples of strategic alliances are observed in infrastructure projects implemented in Ethiopia and other countries. These are construction of highways, bridges, and public transportation network in which the private companies, both local and foreign, are involved. These companies handle construction and maintenance, while the state conducts strict oversight and funding.

Similarly, in other sectors, there are private enterprises that manage hospitals or clinics, for example, providing services while the Ethiopian government ensures standards and affordability. In the education sector, there is cooperation in which private enterprises deliver teaching technology or run schools, improving the quality of education. The strategic alliances between the state and private sector can, therefore, deliver immense benefits in terms of service delivery to the Ethiopian community. Initially, need assessment is conducted to harmonize services to be delivered and what the members of a community need for improving their standard of living. This has to be done effectively and efficiently to deliver services at low cost. In other words, strategic alliance between the state and private sector helps to deliver services to the public with high efficiency, relevant innovation, and better service quality. However, these endeavors require careful planning, clear agreements between the two sectors, and strong and modern management system. This arrangement would overcome challenges and guarantee the success of strategically allied and collaborative state and private sector endeavors.

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

Editorial

Ethiopia is a reliable partner through thick and thin!

Ethiopia has been a reliable partner to its neighbors through thick and thin. Under any regime and any circumstances, Ethiopia has been a credible and loyal comrade in need particularly on the maintenance of peace and security in the region. From sending troops to brokering peace deals between warring parties, Ethiopia has been a guardian of regional peace and a great stabilizer.

The gallant Ethiopian servicemen and women even paid the ultimate price for the peace and stability of the country. Ethiopia's contribution to the global peace has also been vital since the Korean War. Its amicable diplomatic approach to its friendly nations even to adversaries has continued to this very day and become strong. And, this peculiar virtue has continued under the current leadership. Since taking office, the incumbent has been trying to mend rifts with Eritrea and also exerted efforts to stabilize Somalia and Sudan.

The government while handling crises at home even exercises extreme restraint and tries to resolve conflicts peacefully even at a time that the country finds itself in a precarious situation. To foster mutual growth and cooperation, Ethiopia also comes up with bold measures and landmark initiatives. A case in point in this regard can be the recent sea access deal with Somaliland. Peaceful co-existence and amicability also continue to take center stage with the help of its relation with neighboring nations and beyond. This is at least attested by the prime minister yesterday.

In his last address to lawmakers in the ending fiscal year, Prime Minister Abiy Ahmed (Ph.D) accentuated his commitment to the peaceful settlement of conflicts while indicating that Ethiopia is doing its level best to sustain the implementation of the Pretoria peace deal.

"Our diplomacy is based on mutual growth and cooperation. We never exploited Sudan's situation to our advantage. Sudan has been in turmoil and the government has been unable to pay the bills of Ethiopia's power supply, we have never cut the electricity supply since we believe in brotherhood. We cannot abandon our brothers during this difficult time. We could have taken back the land invaded by Sudan had we wanted to take the situation in Sudan to our advantage," Abiy added.

He also told the parliament that Ethiopia's genuine support to Somalia's integrity and sovereignty has never been faltered. The government in Somalia should not waste its money shuttling across the world. It only takes an hour's flight to discuss with Ethiopia and settle the matter, he said. "We made our intention clear and asked our coastal neighbors to give us access and it was Somaliland that agreed to our terms, this does not mean Ethiopia is trying to harm the interests of Somalia. We could not have sent our troops to pacify Somalia had we been looking to destabilize Somalia."

Abiy also sent messages to all friendly neighboring countries on the quest to access sea outlets. "We are a great country and good partners. We always aspire to keep our relations on a win-win base."

The premier also reaffirmed Ethiopia position to the regional peace and security. He has made it clear that the fate of the people of the Horn is entwined, and throwing full weight towards mutual growth and prosperity is a must-do task ahead of all countries.

There has been a crisis along the Red Sea affecting commercial activities and global trade. "Ethiopia," he said, "will work with nations to stabilize the region."

True to the premier's words, Ethiopia is the largest economy in the East Africa. With the growing population and huge landmass, the country will continue to be a leading powerhouse. And, it needs peace inside and out to realize its national interests and spur its economic growth. And, the nation remains resolute in fostering friendship and boosting its diplomatic relations with other nations near and far.



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Opinion

Timely housing peace at the apex of national structure

BY MENGESHA AMARE

Peace is lifeblood of living things especially of human beings, and promotion of peace and security needs to be given due emphasis. A top priority for stability, human security and sustainable development is the issue of peace and peace, no doubt. Thus ensuring peace and security across the nation should not be left only to the government and other concerned bodies working on the area; instead it requires the amalgamated effort of all.

This does mean that finding options and strategies that can contribute to the prevention or resolution of violent conflict and war to enhance security and tranquility. Since sustaining peace is a thoroughly endogenous process, Ethiopia needs to institute national policy whose objective it is to lay the foundations for sustainable peace and serenity. A cardinal point that needs to be addressed then is the role of every individual in closely looking into peace matters. As a process and a goal, building sustainable peace has to be the duty of all citizens.

Unequivocally, the foremost responsibility of government is protecting the life, liberty, and property of its citizens. To this end, working for lasting peace and serenity should be seriously taken into account. It is important to develop strategies and projects based on thorough knowledge of the specific situation at hand when Ethiopians want to work against the dynamics of conflict or insecurity.

Needless to state, there is a need for continuous monitoring of the dynamics of conflict and insecurity via working with all concerned peculiarly with the general public. Experiences from other countries have shown that the most efficient approach when promoting peace and security, for example in support of dialogue, reconciliation or demobilization can bear yummy fruits and confidently provide citizens, Ethiopians in this context. Civil society actors do also have an important role to play here in terms of adjusting conditions to be viable bridges of the government and the general public.

To this end, identifying and addressing the root causes of conflict, rivalry and disagreements needs to come to the forefront. Yes, by promoting peace and security and by having a conflict-sensitive development co-operation, Ethiopians at all corners have to cement unity, fraternity and harmonious way of living.

The most important means in this regard is firmly promoting peace and security, running inclusive developmental activities and undertaking public-oriented development endeavors.

True, promoting dialogue, encouraging security and intensifying structural stability have to be well focused on to help the nation

come up with real difference in all aspects.

Establishing a viable framework for peace agenda and close talks would address the negative repercussions of lack of peace and security. Besides, positive peace is transformational in that it is a cross-cutting factor for progress, making it easier for businesses to sell, entrepreneurs and scientists to innovate, individuals to produce, and the government to effectively regulate what is expected of it revolving around the social, economic and even political trajectory of the nation.

Needless to state, sustaining peace is underpinned by an infrastructure composed of institutions, norms, social cultures, attitudes, and capacities spanning different sectors and levels of social organization. This infrastructure needs to be constantly nurtured and updated to adapt to changing contexts and circumstances. Besides, sustaining peace is conceived as a necessarily endogenous process that requires strong and inclusive national ownership and leadership, and sustaining peace is multi-sectoral and all-encompassing, amounting to a meta-policy deserving of attention at the highest levels of the federal as well as state governments.

Sustaining peace seeks to place greater emphasis on detecting and strengthening what is already working, not only what is in disrepair and needs fixing. Even citizens under stress have capacities that need to be nurtured. Moreover, sustaining peace is an ongoing exercise, not a one stop intervention. Contexts change, because of both internal fluctuations and external shocks, requiring a concomitant adjustment in the norms and institutions governing society. As the inability to respond to changes, both internal and external, is an indicator of the weakness of a societal infrastructure for peace, a lot has to be done and the issue of peace has to be well underscored meaningfully managed so as to bring about lasting peace, which is the source of all smooth and lucrative deeds.

Seen from the perspective of overall peace effort, since sustaining peace cannot simply sit alongside economic, social, or security and even political policies, every citizen has to be part of the national efforts. It must be positioned above all the different sectors and actors, akin to a meta-policy that builds on and accounts for all other policies. Peace first! All policies must be infused with the intention to sustain peace and ensure peaceful scenario, which in turn will make them more durable and coherent. The mandate to sustain peace should be housed at the apex of national and local government structures in Ethiopia. This concern should be well hammered to make a difference.

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

Business & Economy

Marching for sustainable economic progress

BY ABEBE WOLDEGIORGIS

Ethiopia is one of the most agrarian economies in the world where 85 percent of the population derives its living on subsistence farming practice. The sector utilizes less agricultural input which in turn results in less output. The manufacturing sector plays a pivotal role in creating employment opportunity to thousands of citizens, boosting export, linking with the agriculture sector. Such a positive stride would accelerate import substitution and attract foreign and local investment.

The service sector has on its part created a strong link with the agriculture, fostered the effort towards creating job opportunity to thousands of citizens. The hotel and transportation and tourism are an integral part of the sector. However, the sporadically outbreaking of conflict and war in some parts of the country hampered the smooth running of the sector and resulted in the economic drawback. Looking the macroeconomic aspect, the nation is characterized by a high-foreign debt burden and service, inflation, unemployment, budget deficit, illegal trade and foreign currency crunch. Addressing a range of questions raised by legislators at the 6th regular meeting of the House of Peoples Representatives 3rd tenure 36th regular meeting yesterday, Prime Minister Abiy Ahmed (PHD) said that the government inherited heavy debt burden from the previous. He also said that the government took various measures including increasing the government revenue through broadening the tax base, modernizing the taxation system through digitizing to recover the debt burden.

“We didn’t receive a single dollar on commercial loan over the last reform years..”

Regarding, he said Ethiopia substituted imports worth 2bln USD on the ending fiscal year. We also received over 23 billion USD from the expoert sector from various sectors. We should be informed that fact that Ethiopia expends in billions to import fuel, fertilizer and to settle debts year in, year out. If we can trim these, the growth would even be doubled and tripled, according to him.

As far as import substitution is concerned, the primary goal of the import substitution scheme is to protect, strengthen, and grow local industries, factories and industrial parks. This is accomplished through a variety of tactics including tariffs, import quotas, and subsidized government loans,” he added.

It reduced borrowing loan from local banks to curb inflation. Nevertheless, the regional government tax collecting capacity is still below the average level. As to him, as compared to the other African countries, the nation’s tax Growth

Domestic Production rate is very minimal, which is seven percent.

According to the Prime Minister, due to external shake and domestic inflation, the high cost of living witnessed in the country has been unbearable to the ordinary citizens. However, he said that tapping opportunities from the challenges has been taken as a way out. New economic strides have been witnessed through creating new working culture and the corridor development can also be taken as exemplary. The country has been trekking at the right track in terms of economic, social and even political strides implementing a multitude of lucrative projects and undertakings.

A number of initiatives such as the ‘Made in Ethiopia,’ ‘Dine for Sheger,’ ‘Dine for the Nation,’ and other related projects have been bearing fruits following the farsighted leadership and the commitment of citizens working in various sectors. The majority of the demand citizens are portraying could be covered following the ‘Made in Ethiopai,’ initiative as it has been recorded remarkable outcomes in clothing, food and medicine. It is really a bold move targeting at reducing the burden citizens at all levels have shouldered.

The budget allocated to promote the export sector has brought about a tangible result. According to him, economic policies and programs and such an environment, large sectors are more likely to obtain government assistance. Progress has also been witnessed in various sectors and brought glimpse of hope.

The main income sources of the government are various types of taxes and the public saving. Foreign grant and loan cannot be a permanent source of wealth. In Ethiopia, currently out of 130 million people, only 64 thousand individuals and entities are paying taxes; this implies how the government tax base is very small. Ethiopia’s foreign debt is 17.5 percent of its Growth Domestic Production and to reverse the situation, the government banned borrowing commercial loan from foreign financial institutions and strived to reduce the debt burden to 10 percent of the GDP. The nation’s government budget deficit is reduced to four percent of the GDP and planned to keep it at 2.5 percent of the GDP.

The rampant illegal trade is critically harming the nation economy and agricultural products such as cattle, oil seeds, gold and others find their way to the neighboring countries markets and had they been exported in the formal channel, the nation would have earned huge amount of foreign currency. The other thing which is limiting government capacity is tax evasion particularly on import-export trade and the nation lose sizable amount of money because of tax evasion deliberate hide profit.

Six years ago, nation’s income from export

was only 19 billion Dollar and after the coming to power of his government the income rose to 23 billion Dollars. The nation also pulled three billion Dollars from Foreign Direct Investment, which has been recorded as the largest in East Africa. Ethiopia is also able to substitute import worth of two billion Dollars and out of the substitute 40 percent is industrial products. He also said if the volume of locally produced pharmaceuticals and garment increases substituting imported products can be surmounted and demand for imported goods will also reduce.

There are 1.5 million petroleum products consuming cars and most of the cars are privately owned automobiles, and this indicates that most of the imported commodity drained to the private automobiles instead of rendering public services incorporated in the mass transport system. The transport congestion witnessed in the capital day to day particularly during rush hours is attributed to this resource allocation. Hence, to improve the unfair resource utilization taking various measures is essential.

He further said that the government has been taking a number of steps so as to make the economic growth and the financial sector healthy as well as sustainable.

The number of banks is increasing and reached to 37 and they have 12800 branches all over the country. Currently there are 100 million people who opened bank account in various banks. Out of the loaned money only 4 percent of it none performed and as compared to the other African countries, the amount is very small. 80 percent of the deposit money is allocated to the private sector and in the last budget year banks profited 24 percent. The bank sector will not be closed to foreign banks and sooner the local banks will begin to compete with foreign banks and to that end they have to prepare themselves in terms of technology, human resource and working environment. The Ethio-telecom is partially privatized and the created competitive environment enabled to enhance its service provision capacity and currently it provided mobile banking services to millions of citizens.

Next to import and export, the other indicator that needs to be well eyed at is the finance sector and ensuring its stability matters the most. The Ethiopian macro-economy does have problems as researchers indicate, but the country is working on correcting weaknesses via applying a number of reforms. On the other hand, some others say the country is advancing towards recording exciting economic growth in 2075, forty years from today. To make this vision a reality and lay the foundation for the next generation, our children and grandchildren, we all have to work hard.

The Ethiopian macro-economy does have problems as researchers indicate, but the country is working on correcting weaknesses via applying a number of reforms

Art & Culture

VIP corridors out of streamlined effort nothing short of a miracle

BY NAOL GIRMA

In the days of yore, hankering for positions leaders were mostly marked for pulling back one another to climb to the top of the power ladder. Instead of cooperation for development and chemistry a bent for destruction was their entrenched characteristic feature. Their untoward and contagious behavior has been infecting the majority of the public. As such, many people have been witnessed trying to move heaven and earth to meet their ends oblivious and inured to the harm they inflict on others. As a repercussion, projects were mismanaged, and corrupt officials looted allotted budgets. Good governance problems had risen to their crescendo forcing the public to outrage and bloody protests, which led to the downfall of the Ethiopian People's Revolutionary Democratic Front (EPRDF). Citizens welcomed Prime Minister Abiy Ahmed's new Administration.

The new administration has been implementing several reforms over the past six years and observably these reforms are changing some of the traditions between the officials, the public servants, and the public itself. Making Addis Ababa a new flower true to its name was one of the highly valued reforms that the Prime Minister has been pursuing. Different City development projects are underway.

The implementation of the new development projects in Addis Ababa has given birth to a new culture and an impetus to construction. The Corridor Development Project is a living billboard that this infantile culture is being nurtured in good care. The higher officials playing the leading role in a task force, sub-cities, and Woredas are in an encouraging cooperative working spirit. As a result, most of the corridors are due to see completion within set deadlines, as everyone in the project works around the clock.

The corridor development project, which emanates from Mexico and snakes through Sarbet and Gottera is one part of the project ready to see the light of day. This corridor route and another route that goes from Meskel Square join at Wolo Sefer. The corridor routes are also extended on the lands of two sub-cities, Lideta and Kirkos. As a result, it has become mandatory for the two sub-cities to work in collaboration. In this case, it is not only about the efforts of the officials but also the cooperation of the public, investors and other contributors.

Mubarek Kemal, Chief Executive Officer (CEO) of Kirkos Sub-city, describes the cooperative spirit of all actors in the corridor development project with great excitement. He says people whose properties or lands have been compromised



by the project have never shown a feeling of loss or regret. Instead, they believe in the best cause and are cooperative with warm hearts. "In early trends the culture of cooperation for development was impossible. I remember the construction of the main road from Gotera to Pushkin was delayed for six months due to issues related to a single house. Now there is not much foot-dragging, and everyone is happily cooperative," says Mubarek.

According to him, owners of big buildings and residents of the neighborhoods are willingly spending money for the renovation of their properties. He says with the integrated cooperation of the task force and the public, the corridor roots are approaching their completion. "We have almost completed the major construction activities and based on the comments we have collected from residents; we are making improvements. For instance, there were high curve stones, which proved difficult for disabled people who use wheelchairs. These curved stones are being chiseled into appropriate shapes. Following the directions of the quality control group, there are also other finishing touches we are giving the almost completed task a finishing touch. As a result, correctional works is going on. It is a matter of days success consummate our effort," he noted.

For Mubarek the City Corridor Development Project was a historic watershed, which he and many others took different lessons from. The first lesson learned was the strength of integrated effort. He says every cable facility is going to be buried underground. "Electric, telecom wires and water pipes will all be beneath the ground. In former trends,

streamlined activities were lacking. In a day gap, one would start digging the pavement, beneath which the other already completed burying cables. But now that trend is thrown to the dustbin of city's history following the corridor development project. Every facility is built as per integrated cooperation of all institutions".

Seid Ali, CEO of Lideta Sub-city, for his part, says as Lideta and Kirkos sub-cities are neighbors, both are working in collaboration. The corridor routes in both sub-cities are almost through. "The pedestrian walks, the bicycle lines, the major asphalt roads, and the greenery activities are drawing to a close. Currently, we are handling tasks regarding street light poles. Merely few correction activities are remaining."

He also supports Mubarek's idea of integrated cooperation between infrastructure institutions, government officials, investors and the public. Mexico, a neighborhood in Lideta sub-city, is the seat of several governmental and private institutions and companies. For the sake of development, both private and governmental institutions and companies didn't hesitate to remove their old fences and renovate their buildings, according to Seid.

Seid also indicated that the corridor development is going in line with the riverside development. "We are building public plazas, putting in place wider parking lots, and also doing forestry", he said. In early trends, the idea of building a big city was understood as if it was creating concrete jungles. A green forest in the middle of a city was unthinkable. There was no forest in Lideta before. There

were only big buildings and slum houses. Now we are creating a forest, which will be a recreational spot for residents."

Addis Ababa is not only the capital of Ethiopia but also the seat of the African Union (AU). Places like Meskel Square, Mexico, and Wolo Sefer are supposed to be VIP corridors, where leaders and diplomats pass by. As a result, beautifying these VIP corridors may not only change the old image of the city but also make residents proud of what they did for their guests.

Residents are already giving testimonies of how the corridor development changed the image of the city. Gashaw Workneh is a resident who found the difference before and after the corridor development to be very unbelievable. He said he was strolling from Mexico to Sarbet and the turnaround was amazing. "The Asphalt and pedestrian roads, the bicycle lanes, the greenery, the lights have created an electrifying vibe. I have been following up the construction work afoot and the pace was very speedy," he said.

The corridor development project has brought several constructive and creative cultures to the city. This is expected to ripple not only across Addis Ababa but also across the whole in Ethiopia. Since the project is being executed thanks to the generous contribution of people from all walks of life, it is also mandatory that with a sense of ownership, everyone cooperates in protecting the corridors and the facilities, after they are complete. Everyone is expected to keep them clean. Everyone is expected to use them with a sense of ownership so the quality of a modern lifestyle will be embraced by the societies.

Science & Technology

From garage menial work to entrepreneurship of brand luxury automobile

BY DARGIE KAHSAY

The Technical and Vocational Education Training (TVET) is becoming a fertile ground of innovations, technological inventions and skills development in Ethiopia. The development of the TVET sector and its contribution in the skills development and technology transfer is growing rapidly thanks to the Ethiopian government's attention devoted to transforming the sector.

Following the policy and structural measures applied by the government to make the TVET center of excellence in skills and technological developments, the TVET industry is showing dramatic developments both in size and quality. In addition to producing skilled and professional human resource for various sectors, professionals from the TVET education are coming up with new ideas and inventing problem solving products.

Recently, the Addis Ababa City Administration Labor and Skills Bureau has organized a City-wide TVET Exhibition week at the Exhibition Center here in the capital under the theme "TVET for Sustainable Development." Parallel to the exhibition that displayed various innovations and technological products produced by students and TVET trainers from various different TVET centers in the city, a panel discussion was held targeting on the development and future prospects of the TVET industry.

During the panel discussion, Ministry of Labor and Skills (MoLS) State Minister Teshale Berecha (PhD) stated that the Ethiopian Government is taking commendable reforms on policies and frameworks and incorporated vocational training in the curriculum. So far, the policy and structural reforms are registering remarkable outcomes both in developing the sector and attracting the attention of the youth generation. Hundreds of thousands are joining to the TVET education.

Currently, Ethiopia has over 1,500 TVET institutions across the country with more than 30,000 teachers. These centers are providing outcome-based training and learning services. As these centers are providing both theoretical and practical trainings, the centers are producing skilled and outcome oriented human power in the country. As we look to the future, it is exciting to see what other ingenious gadgets and devices will emerge to continue enhancing home life and empowering the disabled community, making a significant difference in the lives of many. The potential to improve quality of life is immense, and these innovators are leading the change.

Habtamu Abera is among young Ethiopians graduated from TVET. Habtamu joined the TVET education to realize his childhood dream of innovating and producing new products as he was practicing making and maintaining gadgets since his early childhood. He attended his school in



'Made in Ethiopia' Luxury Automobile produced by Habtamu Abera's HBM Company

Following the policy and structural measures applied by the government to make the TVET center of excellence in skills and technological developments, the TVET industry is showing dramatic developments both in size and quality

extension program as he was working at garage during the working hours. He spent over 15 years employed in a garage where he worked most of the time in an automotive garage. Currently, he has established his own company HBM and produced a luxury automobile, HBM Luxury Automobile.

Habtamu presented his locally produced luxury automobile at the 14th City-wide Technical and Vocational Education and Training Exhibition. The automobile attracts the attention of all visitors, including Ethiopian Press Agency's journalists. While this journalist entered into the exhibition center, an orange color automobile was displayed immediately at the entrance and a lot of people surrounded the automobile to see the 'Made in Ethiopia' luxury automobile. Habtamu also briefed the visitors about his product.

While this journalist saw the automobile, he assumed that the luxury automobile was an imported one as it proved nothing short of Lamborghini automobile. However,

the journalists learnt that it was locally produced and Habtamu was explaining about the 'Made in Ethiopia' luxury automobile. After a while, Ethiopian Press Agency (EPA) journalists sat with Habtamu and asked him about his luxury automobile and his next plans.

Habtamu said innovation has been his lifelong hobby. He has been interested in fixing, maintaining and producing gadgets since his childhood and later, he started working at an automotive garage which helped him to develop his knowledge of vehicles and the spare parts early. Later, he joined TVET education parallel to his work and he joined Automotive Department during his TVET class. Habtamu Abera has been working in a car garage while pursuing his study at night in a TVET college. After finishing school in a competency-based training, he has worked in the automotive industry for 15 years, which enabled him to develop his skill in the field.

He expressed that he is always ardent to know and discover something new. "It is easy to innovate if we have the enthusiasm to learn and know new things." Habtamu's growing interest and understanding in mechanical engineering, enthused him to read and learn more about car making on the internet.

The thorough reading, learning and exploring things pertaining to the automotive industry has helped Habtamu to develop basic understanding about car making and which stimulated him to make his own car through trial and error.

Influenced and shaped by his profession and his experience, Habtamu was eager to create and produce new things. Through this way, he developed his knowledge and skills in the automotive industry and started thinking to produce his own model vehicle by his himself. Finally, two years ago, Habtamu started to produce a luxury automobile at his company. Then, after two years, he realized his vision of manufacturing his own designed modern and luxury automobile. To

produce the automobile, HBM Company used only engine from imported goods while other parts of the automobile were manufactured and assembled at HBM.

"We used only engine from import. The other part of the automobile its body including the light was designed and produced locally," Habtamu stated. HBM Automotive Company, a company established by Habtamu years ago, manufactured HBM Automobile. Habtamu initiated the idea and he designed the model of the automobile and manufactured it at his own company. As to him, he initiated the idea of designing and producing a luxury vehicle influenced and initiated by his profession and the skills he developed both during his TVET education and his long years of experience at a garage.

Habtamu has built the luxury car contemplating about the international brand luxury car models such as Lamborghini, Ferrari and other luxury automobiles. To prepare spare parts and to assemble the luxury car, it took Habtamu to two years. He invested three million birr to manufacture the vehicle and he stated that Bole Manufacturing College has helped him in supplying components of the car.

Habtamu's next plan is to manufacture the automobile for market consumption and he said that his company has a plan of manufacturing ten vehicles within a year. He noted that such types of automobiles are expensive and luxury which are used by celebrities in the developed world and he is dreaming of producing Ethiopian model luxury automobiles to be driven in Ethiopian cities.

As to him, the luxury model vehicles cost more than 250 million USD which makes expensive to accommodate to import these vehicles. But, Habtamu's plan is to produce luxury cars at home and to provide to the market with cheaper price compared to these luxury cars. He is enthusiastic to supply more Ethiopian branded luxurious and weather friendly automobiles to Ethiopia and African market in the coming years.

Society

Peaceful discussion instead of contention to ensure peace, development

BY MENGISTEAB TESHOME

Yesterday, the House of Peoples' Representatives held the 36th regular session and the members raised various questions with regard to the social, economic, and political progress of the country.

Attending at the session, Prime Minister Abiy Ahmed (PhD) addressed a number of questions raised by members of the parliament.

The Premier also briefed parliamentarians regarding the concluding Ethiopian budget year performance report. As for Abiy, despite global scenarios, Ethiopia has registered promising results in every sector and achieved a very successful economic growth in the budget year. Mentioning the success stories witnessed in substituting imports, for instance, in wheat production, manufacturing pharmaceuticals products at home by local manufacturers, the Premier said that it was made possible to manufacture 40 percent of products by domestic industries. Import substitute products worth over two billion USD were also produced domestically. Following the 'Made in Ethiopia' initiative, over 390 industries have become operational and started manufacturing products, he added.

While responding to queries raised in relation to accessing and ensuring quality education, Prime Minister Abiy said that Ethiopia is a country of young people and equipping the young generation with the required knowledge and skills is of critical importance for the future of the country. To this effect, investing at grass root level is wise; and the government is working to ensure quality of education, paying due attention at the lower level of education. "If we invest and work on at the foundation, the challenge we may encounter at the higher level would be minimal; and even it won't be as such difficult to address it."

Accordingly, over 30 thousand new preschools have been built. Not only this, but thousands of students are also benefiting from the school feeding initiative. Equally important, following the drive to make the education system more inclusive and address the challenges of visually impaired children, the best ever school for the blind, Sebeta School for Blind Children, has been built and opened for service. He also revealed the publication of student textbooks worth 45 million Birr.

"However, concerning universities, following the national reform, no university has been constructed throughout the country. The reason for this is that now, what we are giving



due attention to universities is ensuring quality," Abiy added.

The Premier did not go without saying that the budget allocated for universities has augmented in the past years. According to him, six years ago, the total annual budget for universities was about 40 billion Birr, but now it has reached about 60 billion.

With regard to health, Abiy said that in this budget year, a total of 10 million vaccinations have been given nationwide to prevent cholera outbreaks. In the same way, measles vaccination was given in 58 districts to prevent the outbreak of measles. The distribution of insecticide treated nets was also carried out to minimize the burden of malaria.

Especially, as part of the effort carried out to substitute pharmaceuticals products domestically, it has been possible to increase the supply of medicines from 8 percent to 36 percent, he remarked.

On the other hand, concerning corruption, he said that theft is like cancer. It eats upon the country's resources. No matter whether it is petty or grand, theft should be abolished. That is why the government is undertaking legislative reforms. The new Draft Asset Recovery bill would take this into consideration. There is no state-level corruption, but there have been instances of individuals involved in committing corruption.

In Ethiopia, a few individuals transact billions of Birr illegally. There was no law that implicated this. The proclamation by filling the gap and addressing the challenge, it will help to ensure legal accountability. However, some thieves who claim or fear that the proclamation may expose them, are already attempting to confuse people by spreading unsubstantiated information. To this end, every Ethiopian should stand

**In Ethiopia,
the government
is working
committedly to
lessen the pressure
by devising several
initiatives**

together and act meticulously in fighting theft.

Addressing corruption requires a comprehensive, multi-pronged approach that tackles the issue at both the institutional and societal levels. At the governmental level, this means strengthening the independence of key entities, such as the judiciary, auditor general and anti-corruption commission. These institutions must be empowered to investigate allegations of wrongdoing without the interference of political

powers to impose meaningful penalties on those found guilty. The government is working to strengthen these independent institutions, said the Premier.

Pertaining to peace and security matters, Prime Minister Abiy said, "Ethiopia has passed through a vicious circle of conflict and war for a long time. The history of killing one another should be stopped in our generation. The government is ready to pay any price for peace. In the previous years, the government, by prioritizing peace, has made more efforts and gone the extra mile. In Ethiopia, holding power through conflict and war is impossible. The most practicable way for Ethiopia is discussing differences, solving problems in a peaceful manner. The Prime Minister also addressed the queries with regard to the ever increasing cost of living. "The cost of living has continued to be a challenge for many global countries. In some countries, the inflation rate is recorded as high as 60 percent. In Ethiopia, the government is working diligently to lessen the pressure by devising several initiatives. Especially, *Ye- Lemat Tirufat* is playing a crucial role in containing inflation. Increasing production and productivity is the other major undertaken for this same effect. And, this year, compared to the preceding year, it was possible to harvest more than 100 million quintals. What is more, the government, by leaving 10 billion Birr revenue, allowed basic goods to be imported duty-free. All these measures have been taken to lessen the burden of the cost of living on citizens. As a result, it was possible to lower the inflation rate from 30 percent in the previous year to 23 percent.

The Session was concluded by approving the 2024/25 (2017 E.C) fiscal year budget of the federal government as 971.2 billion Birr.

Boosting tourism sector contribution...

noted that tourism was one of the thoroughly reviewed sectors during the performance evaluation meeting.

The Minister pointed out that the tourism sector was among the issues extensively discussed during the meeting. The activities carried out in promoting tourism flow, increasing the number of domestic visitors, and expanding destinations and renovating existing ones have contributed to the attraction of tourists, she said.

In the work done to expand conference tourism, the holding of international meetings in health, education, manufacturing and other sectors has been facilitating in the past ten months.

According to the Minister, many projects like Dine for the Nation have become operational and initiatives like Dine for Generation have been carried out to accelerate the development of the sector.

She disclosed that standards for tourist destinations in the country are prepared and readied for implementation. Such endeavors will make the existing tourist destinations suitable and meet the market.

The Ministry has succeeded in increasing the number of local and foreign tourists in the last ten months, it was learned.

Moreover, the Minister reaffirmed the commitment of the Ministry to consolidating the ongoing activities in order to bolster

the contribution of the tourism sector to the economy by providing convenient, safe and reliable transportation as well as accommodation services.

No doubt, the tourism sector plays a vital role in the economic growth of the country, contributing significantly to job creation, foreign exchange earnings, and infrastructural development. In Ethiopia, the tourism industry has shown impressive growth in recent years, with an increasing number of tourists visiting the country to explore its rich cultural heritage, stunning landscapes, and unique wildlife. In this article, we will delve into the tourism sector's annual performance and its contributions to the Ethiopian economy.

Moreover, tourism is one of the fastest-growing sectors in Ethiopia, contributing a substantial amount to the country's GDP. The influx of tourists has led to an increase in revenue for the government through taxes, licensing fees, and permits. Additionally, the tourism industry has created employment opportunities for thousands of Ethiopians, particularly in the hospitality, transportation, and tour guide sectors.

The number of tourists visiting Ethiopia has been steadily increasing over the years, with the country attracting visitors from all around the world. The Ethiopian government has been actively promoting the country as a tourist destination, showcasing

its diverse cultural heritage, natural beauty, and historical sites.

As a result, the tourism sector has experienced steady growth, contributing to the overall development of the economy. The government and various stakeholders in the tourism industry have been working together to ensure that tourism development is carried out in an environmentally friendly and socially responsible manner. Initiatives such as community-based tourism projects, wildlife conservation programs, and eco-friendly accommodations have been implemented to preserve Ethiopia's natural resources and cultural heritage for future generations.

Despite its impressive growth, the sector faces several challenges that hinder its full potential. Infrastructure deficiencies, limited marketing efforts, political instability, and security concerns are some of the issues that need to be addressed to further boost the tourism industry. The government and private sector must work together to overcome these challenges and create a favorable environment for sustainable tourism growth.

Tourism experts also recommend implementing digital marketing strategies can help Ethiopia reach a wider audience of potential tourists. Utilizing social media platforms, search engine optimization, and online travel agencies can increase

visibility and attract more visitors to the country. Engaging with travelers through online channels can also create a sense of community and encourage repeat visits.

Accordingly, promoting Ethiopia's rich cultural heritage is also crucial for attracting tourists to the country. Visitors are often drawn to destinations that offer unique cultural experiences, such as traditional music, dance, and cuisine. By showcasing its diverse cultural traditions, Ethiopia can differentiate itself from other tourist destinations and appeal to a broader audience.

Sustainable tourism practices not only help preserve Ethiopia's natural environment and cultural heritage but also contribute to economic growth. By promoting responsible tourism initiatives, such as wildlife conservation and eco-friendly accommodations, Ethiopia can attract environmentally-conscious travelers and generate long-term economic benefits.

In sum, the tourism sector's annual performance and contributions to the Ethiopian economy are significant and continue to grow. By focusing on sustainable tourism practices, addressing challenges, and investing in future growth, Ethiopia can further capitalize on its tourism potential and solidify its position as a top destination for travelers around the world.



Kenya's Tourism Sector Thrives Despite Protests - High Bookings Recorded

Nairobi — Tourism and Wildlife Cabinet Secretary Dr. Alfred Mutua has confirmed that the sector is experiencing high bookings despite sustained protests across the country sparked by budget proposals.

Mutua said the new bookings have been on the rise, with only a few postponements primarily for events.

He emphasized that the sector remains stable and ready for the peak season, assuring that the government will implement measures and policies to enhance safety and security to foster growth.

"According to information gathered from our stakeholders, our upward trends may have been slightly slowed down, but we are fortunate not to have seen a significant dent or cancellations due to the current situation," he stated.

The protests, which have significantly disrupted various parts of the country, were initially sparked by public disapproval of the Finance Bill 2024. More than 40 people had been killed by July 3, 2024.

The bill proposed tax increases that many Kenyans deemed burdensome.

Despite President William Ruto's decision to withdraw the bill and send it back to Parliament, the demonstrations have continued, leading to

clashes between protesters and security forces. These events have raised concerns about the potential impact on the tourism sector, a vital part of Kenya's economy.

Mutua warned that the youth-led demonstrations could negatively impact the sector, leading to a reduction in national earnings and job losses, particularly affecting graduates aiming to join the tourism and wildlife sectors.

"The Tourism and Wildlife Sector is one of the largest employers in our country, with 80 percent of the employees being youth. Disturbances in the sector lead to job losses and halt new employment opportunities," he said.

In 2023, the tourism sector contributed Sh.353 billion to the country's economy, with ambitions to generate Sh.700 billion annually moving forward. The sector also aims to attract 3 million visitors this year, up from the 2 million visitors recorded at the end of 2023.

"Our projection is to reach 3 million visitors by the end of 2024 and 5 million visitors in the next 2 to 3 years. The increase in numbers means more revenue for the country, numerous new jobs, especially for our youths, and business growth," added Mutua.

Source: Capital FM.

Kenya Eyes U.S. After Tapping Into EU Market Under EPA

Nairobi — Kenyan exports will now access duty-free, quota-free markets in 27 European Union nations following the Economic Partnership Agreement between Kenya and the European Union (EPA).

Speaking during the launch of the TRIFIC Special Economic Zone (SEZ) COSSA program, Trade Cabinet Secretary Rebecca Miano affirmed that international investors are confident about Kenya's economic potential, which offers a great opportunity to seize global markets.

"I want to confirm that the market access we have established in Kenya is quite big and now we must work on increasing our production so that we can satisfy the market because the European Union Economic Partnership agreement came into force," said Miano.

Under the European Union EPA Agreement, all Kenyan exporters will enjoy market opportunities in EU countries, including Austria, Belgium, Croatia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, the Netherlands, Poland, Portugal, Romania, Slovakia, Spain, and Sweden.

CS Miano commended the TRIFIC Chanzo ONESPACE Startup and Scaleup Accelerator (COSSA) program, stating that the program will create African tech

multinational companies by allowing them to trade globally.

"The launch of the COSSA program in the eyes of my ministry is a significant milestone because it positions Kenya as an innovation and investment hub," she said.

CS Miano revealed that the Ministry has commenced talks on strategic trade and investment partnerships in order to tap into the lucrative market in the United States, having already concluded a comprehensive Economic Partnership Agreement with the United Arab Emirates.

"Recently, we concluded the comprehensive Economic Partnership Agreement with the United Arab Emirates, and now we are discussing trade and investment partnerships with the United States. This gives me a lot of confidence because soon we shall be able to seize this big market," stated Miano.

According to Miano, the Strategic Economic Partnership Agreements will enable Kenyan businesses to expand and succeed in other countries as the government continues to enhance the country's economic potential through pro-investment policies in order to attract direct foreign investment.

Source: Capital FM.



This is Ethiopia

Boosting tourism sector contribution to national economy

BY TEWODROS KASSA

Ethiopia has immense potential to become a top tourist destination in Africa. The nation is known for its rich history, diverse culture, and stunning landscapes. However, the tourism sector's contribution to the Ethiopian economy has not yet reached its full potential.

Thus, the government has taken new initiatives; understanding the sector's potentials. The development of new tourist destinations is among its leading tasks towards boosting the tourism sector's contribution and in driving economic growth in Ethiopia.

According to tourism experts, one way in which Ethiopia can enhance its tourism sector is by investing in infrastructure development. Improved roads, airports, and public transportation systems can make it easier for tourists to access various attractions across the country. Additionally, the development of quality accommodations, such as hotels and



lodges, can provide visitors with comfortable and convenient stays.

Recently, Tourism Minister Nasisie Chali said that the activities underway to boost

the contribution of the tourism sector to the national economy have been bringing about encouraging results.

During a 100-day performance review of

this concluding Ethiopian Fiscal Year was conducted in the presence of Prime Minister Abiy Ahmed, Tourism Minister Nasisie

See Boosting tourism ... page 11



Published Bimonthly in Collaboration with Ethiopian Electric Power

EEP keeps on ensure dam safety

BY MENGISTEAB TESHOME

In the face of growing energy demands and the push for sustainable power generation, the importance of maintaining the safety and integrity of dams has become increasingly crucial. As a vital component of the nation's hydroelectric infrastructure, dams play a crucial role in providing a reliable and renewable source of energy

The modernization efforts include reinforcing the dam's foundations, upgrading the spillways and gates, and implementing state-of-the-art monitoring and control systems. These measures not only enhance the structural integrity of the dams but also improve their operational efficiency, leading to increased power generation and reduced maintenance costs.

Of late, the Ethiopian Electric Power (EEP) Generation Operations and Monitoring department has performed

visual dam inspection activities through using devices aiming to protect power plants from flooding.

Dam Monitoring and Control Office Manager Elias Delash stated that the monitoring activity is conducted to ensure the safety of the power plants by protecting them from floods and landslides.

He further noted that summer rainfall is crucial for the power plants but excessive rain can jeopardize their safety. Therefore, close monitoring activities will be conducted in accordance with the company's operational guidelines for power plants.

He further noted that regular monitoring works will be carried out on the dam and its components, including spillways and control gates, to ensure that they are functioning properly.

According to him, the gathered data through monitoring and controlling process will be shared among power

plant heads, operators, on-site dam monitoring experts, and specialists from headquarters.

The Manager highlighted that the monitoring and control efforts has two basic goals. The prime objective is safeguarding downstream communities from any potential flooding and ensuring the effective operation of the dams to meet the power generation requirements.

EEP periodically implements a comprehensive program to assess the structural integrity and safety of dams across the country. This initiative involves conducting regular inspections, evaluating the condition of the dam's structural components, and identifying potential vulnerabilities. Experienced engineers and geologists are deployed to thoroughly examine the dams, utilizing advanced technologies such as 3D modeling, ground-penetrating radar, and sophisticated instrumentation to detect any signs of deterioration or instability.

This includes providing extensive training and education for dam operators, engineers, and maintenance personnel, ensuring that they have the knowledge and skills required to identify and address potential safety issues. Additionally, public awareness campaigns have been launched to educate communities living near dams about the importance of dam safety and the appropriate actions that should be taken in times of an emergency.

By prioritizing dam safety, the EEP is not only safeguarding the reliability of the nation's power supply but also protecting the well-being of the communities that rely on these vital infrastructure assets. Through a combination of rigorous assessments, infrastructure upgrades, emergency planning, and a strong focus on safety culture, the government is demonstrating its commitment to ensuring the long-term sustainability and security of the country's hydroelectric power generation.