



The Ethiopian Herald

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Professor Brook Hailu

Ethiopia champions regional stability, economic growth in HoA

BY YESUF ENDRIS

ADDIS ABABA - Ethiopia's dedication to negotiations, peace-building, and mutually beneficial partnerships with Horn of Africa (HoA) countries, reaffirmed by Prime Minister Abiy Ahmed's recent parliamentary address, has been commended by scholars.

Political science and international relations scholar Professor Brook Hailu told FBC that Premier Abiy's remarks reinforced Ethiopia's foreign policy principles of impartiality and cooperation with HoA nations.

See Ethiopia champions ... page 3

Corridor dev't creates 50,000 jobs, promises economic boost

BY TSEGAYE TILAHUN

ADDIS ABABA - The ongoing Addis Ababa Corridor Development has already created over 50,000 jobs, and its completion is expected to double this number, said Mayor Adanech Abiebie, emphasizing the project's socioeconomic impact.

Mayors from over 30 Ethiopian cities visited the corridor development activities, touring the Eri Bekentu – Piassa – Arat Killo corridor and other sites. Mayor Adanech highlighted the project's significant role in expediting economic activities and boosting tourism revenue.

See Corridor dev't ... page 3



Ethiopia's welcoming of foreign banks: Boost for financial services, investment

BY STAFF REPORTER

ADDIS ABABA – Ethiopia's decision to allow foreign banks to operate in the country holds significant potential for enhancing financial services for local entrepreneurs and foreign investors, according to experts who also suggested measures to mitigate potential impacts.

The government's move to welcome foreign banks is expected to provide citizens with

See Ethiopia's welcoming ... page 3

Ethiopia modernizes migrant management with new inter-ministerial agreement

BY ASHENAFI ANIMUT

ADDIS ABABA – The Ministry of Women and Social Affairs (MoWSA) has signed Memoranda of Understanding (MoUs) with key ministries and institutions to modernize the holistic management approach for migrants.

During the signing ceremony, MoWSA Minister Ergoge Tesfaye (PhD) highlighted the government's commitment to citizen-centered policies and the repatriation of

undocumented citizens facing difficult situations abroad. She noted that the government, in collaboration with the European Union and the International Organization for Migration (IOM), has been developing returnee databases and rehabilitation mechanisms to prevent potential crimes and support victims.

Minister Ergoge emphasized that the government, along with regional and city

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News



Mesfin Tasew

Ethiopian Airlines drives African air transport growth

• Aims for Global Leadership by 2035

BY MISGANAW ASNAKE

ADDIS ABABA – Ethiopian Airlines is significantly contributing to the development of the African air transport industry, stated CEO Mesfin Tasew.

The CEO emphasized that the airline will maintain its competitiveness with international carriers while empowering Africans through training and serving as a training and maintenance hub for the continent.

Mesfin also revealed Ethiopian Airlines' commitment to expanding its destinations domestically and internationally, working under the principle of "uniting Africans" to achieve the dream of a united Africa. The airline's widespread recognition and the decision by Boeing to establish its headquarters in Ethiopia have further boosted its popularity.

"Our vision is to become a fast, profitable, and sustainable airline by 2035," said Mesfin. Notably, Ethiopian Airlines is ranked 36th in the world in this year's Skytrax ranking.

Ethiopian Airlines was founded on 21 December 1945 and commenced operations on 8 April 1946, expanding to international flights in 1951. *Ethiopian* is Africa's largest airline in terms of passengers carried, destinations served, fleet size, and revenue and it is also the world's fourth-largest airline by the number of countries served.

Inclusive Nat'l Dialogue essential for peaceful Ethiopia: ENDC Chief

BY MISGANAW ASNAKE

ADDISABABA – The active participation of all segments of society is essential for a successful national dialogue aimed at creating a peaceful Ethiopia, stated the Ethiopian National Dialogue Commission (ENDC).

ENDC Chief Commissioner, Professor Mesfin Araya, emphasized that pastoralists, farmers, and persons with disabilities must have the right to decide the future of their nation, regardless of their educational or professional backgrounds. "They should not be left out of the National Dialogue process and other activities," he asserted.

Mesfin highlighted that an inclusive and participatory National Dialogue is crucial for resolving existing problems, addressing historical traumas through reconciliation and forgiveness, and deciding the nation's future. He noted that while elites, elders, or politicians typically decide on Ethiopia's direction, it

is imperative for all people to have equal rights in this process.

The National Dialogue is open to youths, individuals with disabilities, and women, allowing them to discuss and decide on the nation's future. Mesfin added that all Ethiopian people must understand, help, and listen to each other during the dialogue, exercising their equal rights.

The Chief Commissioner underscored the significant role of youth in deciding the country's future and development. By participating in the national dialogue, youths can contribute to creating a conducive and peaceful environment.

Since its inception, the ENDC has been striving to conduct an inclusive National Dialogue with active participation from youth, people with disabilities, and women. According to the commission's establishment proclamation, all Ethiopian citizens are encouraged to participate equally in the dialogue designed to provide solutions to the nation's problems, Mesfin said.



Professor Mesfin Araya

IGAD commits to supporting Ethiopia's Nat'l Blue Economy Strategy

BY BETELHEM BEDLU

ADDIS ABABA – The Intergovernmental Authority on Development (IGAD) has pledged its full commitment to support the implementation of Ethiopia's National Blue Economy Strategy.

In collaboration with the Ethiopian Maritime Authority, IGAD and the Economic Commission for Africa (ECA) conducted a validation workshop for the Action Plan to the National Blue Economy Strategy and assessed the UNECA Blue Economy Valuation Toolkit (BEVTK) for Ethiopia.

The blue economy aims to sustainably use ocean resources for economic growth, improved livelihoods, and job creation while preserving ocean ecosystem health, as depicted by the UN.

Eshete Dejene, IGAD's Environment Protection and Sustainable Economy Program Head, emphasized the importance of enabling IGAD member countries to utilize their blue economy sectors effectively.

Ethiopia has approved the blue economy strategy and is actively working on its implementation. IGAD has affirmed



its readiness to support Ethiopia in this process.

Eng. Abdulber Shemesu, Director General of the Ethiopian Maritime Authority, indicated that the blue economy would allow Ethiopia to use its water resources more effectively.

He further noted that the nation has significant untapped potential and is performing various activities with concerned institutions to utilize these

resources.

Captain Getnet Abbay, the Authority's Maritime Administration Chief Executive Officer, highlighted that the authority has identified institutions with direct links to the blue economy's implementation.

The officer emphasized that joint efforts with relevant actors are essential to creating a conducive environment for the strategy's better implementation.

News

Africa needs 800 mln USD annually to meet SDGs

ADDIS ABABA - African policymakers, gender experts, and development actors are calling on countries to invest and collaborate more to finance the production and use of gender data to improve the lives of women and girls.

Senior public sector officials and civil society actors from nearly 40 African countries are convened in Gaborone, Botswana for the Africa Gender Statistics Forum 2024 (AGSF24).

This year's form aims to take stock of Africa's progress and gender perceptions in the Addis Ababa Declaration on Population and Development, the Addis Ababa Action Agenda, and the 3rd Africa Program on Gender Statistics.

Held under the theme Pooling Together for Gender Statistics: Financing the Numbers that Make Women and Girls Count, the 2024 theme is informed by the International

Women's Day 2024 call: Invest in Women, Accelerate Progress.

"The financing gap for the Sustainable Development Goals (SDGs) stands at 1.3 trillion USD per year," said William Muhwava, Chief of the Demographic and Social Statistics Section speaking on behalf of Oliver Chinganya, Director of the African Centre for Statistics, at the Economic Commission for Africa (ECA).

"Africa needs at least an additional 800 million USD per year towards meeting the SDGs. At the current pace, gender equality will only be achieved in 2094," said Muhwava.

While development assistance for gender equality has increased every year since 2015, funding for gender data and statistics has fallen by nearly half compared to averages from 2019.

As one of the most significant annual meetings of producers and users of gender statistics in Africa, the AGSF provides an invaluable platform for raising the bar on how the region makes available and uses the data that can be applied for evidence-based policy and decision-making, including gender-responsive budgeting to improve the lives of African women and girls.

The bottom line remains that gender data and statistics are crucial to effectively catering for the diverse realities of women and men, boys and girls in Africa's development.

The sixth AGSF is jointly hosted by Statistics Botswana, the African Union Commission (AUC), the African Development Bank (AfDB), PARIS21, the Southern African Development Cooperation (SADC) and UN Women under the auspices of the Economic Commission for Africa (ECA), ENA reported.

Ethiopia...

administrations and stakeholders, is actively working to combat human trafficking and other related issues. She also mentioned efforts to make the database compatible with the national information system.

MoWSA signed agreements with the Information Network Security Administration and the Ministry of Innovation and Technology to facilitate innovative technologies and provide security and technical support. Other committed bodies include the Ministry of Foreign Affairs, Ministry of Health, Ministry of Labor and Skills, Ministry of Justice, Ministry of Education, Federal Police Commission, Immigration and Citizenship Services, Returnees and Refugees Services, and the Ministry of Planning and Development. These entities pledged to collaborate on the database and foster a coordinated response leveraging the strengths of all societal sectors.

Minister Ergoge praised the unwavering financial and technical support from RRS and IOM, emphasizing that the database will be a reliable source of information for researchers, policymakers, and the government to assist vulnerable communities.

IOM Ethiopia Chief of Mission Abibatou Wane remarked that the MoU is a significant milestone in sharing return and reintegration data, which is crucial for effective assistance to vulnerable migrants. She stressed that high-quality data is essential for making informed decisions and ensuring impactful resource utilization.

Acknowledging the collaboration of partners, Wane said the agreement exemplifies the 'whole of government' and 'whole of society' approach necessary for addressing complex challenges. She noted that this holistic approach aligns with the United Nations' commitment to sustainable development and enhances capacities to respond to the needs of the most vulnerable, fostering resilience and sustainable reintegration.

Corridor dev't ...

The project aims to modernize service delivery and enhance livability in the city. Despite having over 3,000 public buses, Addis Ababa previously lacked terminals. To address this, the metropolis is constructing new terminals such as G-2, G-3, and G-4.

Mayor Adanech further noted that contributions from the public and private sectors have been crucial to the project's progress, which is expected to attract more tourists and generate significant revenue. The city has also provided housing for those displaced by the development and transferred around 4,700 shades, shops, and other facilities to support residents' livelihoods.

"Addis Ababa's corridor development success should be replicated by other cities. If all cities work together and mobilize their resources, it is possible to usher in the development of Ethiopia," she said.

Urban and Infrastructure Minister Chaltu Sani praised Addis Ababa's comprehensive urban infrastructural development, calling it exemplary for other Ethiopian cities. The minister emphasized that these projects contribute to resource conservation, green development, improved service delivery, and overall urban livability. The government views urban development as a key growth and development strategy.

According to Chaltu, the developments in Addis Ababa have incorporated green areas, taxi stands, footpaths, and adequate service areas, and the expanded infrastructure will improve the income and living conditions of city dwellers.

Ethiopia champions...

"I fully agree with his recent statements to MPs because Ethiopia shares long borders with Somalia, Eritrea, Sudan, and other neighboring countries, making cooperation inevitable," he said. For instance, the border with Somalia spans approximately 3,000 to 3,300 km, and with Eritrea, about 1,700 to 1,800 km, highlighting the necessity of balanced cooperation.

"The Prime Minister has clearly articulated the government's diplomatic stance on HoA issues, and there could be no better expression," Professor Brook emphasized.

Ethiopia's rapidly growing economy offers significant development opportunities for its neighbors, potentially worth billions of dollars, which Professor Brook urged these countries to tap into.

In peacekeeping, Ethiopia has played a crucial role in preserving Somalia's sovereignty, with many Ethiopian soldiers sacrificing their lives over the past 16 years.

advanced banking services, while economic scholars emphasize the need for regulatory measures to support local banks, which may be disadvantaged due to their lower capital.

Assistant Professor Habbitu Legesse, an economics lecturer and researcher at Haramaya University, believes that the entry of foreign banks will attract more foreign direct investment (FDI), crucial for addressing Ethiopia's foreign currency shortage. Increased FDI is anticipated to boost production, export earnings, and job creation.

The presence of foreign banks is also expected to expand banking services in rural areas, thereby improving financial accessibility and increasing the number of users. With better financial assets, foreign banks can offer substantial loans to the public, enhancing competition with local

banks. Despite this, the President of Somalia has not acknowledged Ethiopia's support. "If Ethiopia had not collaborated with the Somali government, Al-Shabab would be in power. The Somali government was on the brink of collapse," the scholar noted.

He further emphasized that Al-Shabaab, with direct links to Al-Qaeda, was close to taking control until Ethiopian peacekeeping missions intervened, marking Ethiopia's significant contributions to Somalia.

Regarding Sudan, Ethiopia advocates for a 'self-generated solution' to resolve the ongoing crisis, opposing external intervention. Prime Minister Abiy has made several attempts to mediate between conflicting parties, demonstrating Ethiopia's commitment to regional stability.

The Ethiopian government maintains an impartial stance, prioritizing the interests of the Sudanese people, a crucial aspect of its foreign policy, Professor Brook concluded.

Ethiopia's welcoming of foreign...

banks.

To stay competitive, local banks are encouraged to modernize and expand their services using technologies like mobile banking in rural areas. Habbitu suggested that the National Bank of Ethiopia should restructure interest rates to promote a saving culture and maintain the competitiveness of local banks.

Foreign banks will provide financial options to entrepreneurs, enabling citizens to access loans even without collateral. These banks and the investment companies they attract will play a crucial role in job creation. However, the government must implement close inspections and regulatory measures to prevent issues such as corruption, capital flight, and the weakening of local banks.

Banks should be selected from countries

with stable economies, and laws should be enacted to ensure foreign banks employ Ethiopians in significant numbers. Ensuring peace and security is also vital for attracting and benefiting from these banks, the expert remarked.

Professor Berhanu Burji, a market management lecturer and researcher at Hawasa University, expects foreign banks to introduce advanced financial technologies from the developed world, enabling customers to access services from home. These banks will offer better services in their competition for customers and provide substantial financial loans to Ethiopian youth aspiring to start businesses.

However, the government should clearly define the financial areas in which foreign banks can operate to protect local businesses, Professor Berhanu advised.

Opinion

Some Effects of Audit Reports

BY GETACHEW MINAS

Audit reports may immensely affect various interest groups and stakeholders associated with the enterprise being audited. Some of its key effects are improved internal control, confidence building, regulatory compliance, operational efficiency and credibility. Enhanced internal controls contribute to efficient management and good governance. They help in identifying weaknesses in the internal enterprise management and control. Auditors normally recommend improvements that may help in strengthening management systems and processes.

In Ethiopia, the Auditor General has been reporting to the government on how to increase transparency about the financial health and operations observed in public enterprises. However, there is no clarity on what legal measures have been taken to correct financial malpractices. Consequently, there may be a vicious circle of abuse of resources and continuous auditing, in which reported corrective measures have not been taken during the previous administrations.

Informed decision making by management keeps business enterprises profitable. In this endeavor all stakeholders, including workers have interest in running an enterprise based on the findings of audit report. This report provides management and stakeholders with valuable insights. It also presents relevant data and information for making informed strategic decisions. It builds confidence in investors and shareholders.

A realistic audit report which reveals the reality about an enterprise or organization may boost investor and shareholder confidence. Once confidence is established in an enterprise, it attracts other shareholders to invest in it. Their investment decision is critical for the survival of a business company in developing countries, including Ethiopia. Audit report helps investors make informed decisions based on the financial health and performance of an enterprise in which they have vested interests.

Audit reports reveal if an enterprise is complying with regulatory agencies in its financial performance. The internal auditor also verifies if an enterprise complies with the rules and regulations of the government. Every enterprise is obliged to comply with applicable laws, regulations, and standards with regard to its operations in the market.

The auditor is in a position to check if there is any avoidance of penalties by business enterprises. The audit authority helps in identifying and rectifying compliance issues, including avoidance of legal penalties and sanctions. Business entrepreneurs may be inclined to avoid punishment for their illegal financial activities. The pushing factor behind such activities is undue maximization of profit. Businessmen addicted to such practices may continue to hide information on their illicit and dishonest operations. They may

A key aspect of an audit report is its relevance in terms of time, place and activity. The information included in the report should be pertinent to the stakeholders, focusing on key issues and significant findings

engage in lowering the quality and quantity of outputs produced with the objective of making undeserved profits.

Auditors normally provide advice of operational efficiency of an enterprise. Responding to such advice, businessmen are in a position to maximize revenue and minimize expenditure. But, this is preceded by improvement in the production of goods and services to meet the demand of consumers in the market. In this regard, business enterprises have to conduct market surveys to meet the requirement of consumers. They also have to work on the technical improvement of production processes. This implies identification of production inefficiencies for enhancing operational effectiveness.

However, this requires identification and management of risks with appropriate measures to mitigate them. Any negligence in the prevention of risks causes market failure in which supply does not satisfy

demand. The process of production presupposes allocation of resources for accessing required inputs, including land, labor, capital and entrepreneurship to produce goods and services demanded by consumers. It is, therefore, absolutely necessary to have market information before venturing on production of goods and services.

Making informed decision on production maintains stakeholders' trust in an enterprise. Such credibility enhances the reliability and integrity of an organization among various stakeholders, including customers, suppliers, and creditors in the Ethiopian economy. This is enhanced by positive audit reports that may improve the reputation and trustworthiness of Ethiopian enterprises. A reliable audit report has strong financial implications that may reduce the cost of investment. An audit report may help in lowering the cost of capital as lenders may perceive the enterprise as low risk entity. If Ethiopian shareholders perceive of an enterprise as risky they tend to avoid it through various means. To keep such a danger at bay, the management of an enterprise has to prepare its financial plan based on realistic data. This helps in forecasting of the future of an enterprise by providing an accurate picture of its financial status. In this regard, the contribution of audit report is critical.

The audit report reflects the culture of an enterprise since its establishment. It indicates the ethical behavior and accountability within the enterprise. The report may reflect employee morale which may positively reflect a healthy and accommodating enterprise. Similarly, future audit enhances audit readiness within enterprises. It prepares enterprises for future audits by addressing the findings and recommendations from the past and current audit reports. It encourages continuous improvement in the financial management of enterprises. It also contributes to readiness for proactive management of issues.

On the other hand, while audit reports have many positive effects, there may be some negative impacts if the findings are adverse. These reports may challenge the management by highlighting major deficiencies to address. It may stimulate investor reaction to deficient enterprises in countries, including Ethiopia.

It is noted that negative audit findings may lead to a loss of investor confidence. Consequently, they lead to a decline in stock prices of an enterprise. Last but not least, there may be a reputational damage that destroys an enterprise.

Public disclosure of adverse findings may harm the reputation of an enterprise as experienced in the past in Ethiopia. It may also cause operational disruptions in which the management tends to collide with investors, employees and trade union. In these circumstances, it is advisable to restructure the mode of production in an

enterprise based on studies. In this situation, it is useful to implement recommendations that may require changes in operations, leading to temporary disruptions, followed by permanent solutions. Generally, the impacts of audit reports are comprehensive and may influence different aspects of the functioning and relationship of stakeholder.

For those who have deeper understanding of audit reporting, it is a very specific term. Without specific context, its values may be generalized being typically associated with effective audit reporting. Its values may be related to accuracy, clarity, transparency, objectivity, and timeliness. Accuracy ensures that all reported information is correct and factual, minimizing errors and misconceptions. Reports should be clear and comprehensible, avoiding slang and difficult language to ensure that the concerned public understands the audit findings.

In audit report, transparency is of the essence. There should be full disclosure of all relevant findings and processes. This process ensures honesty and openness in reporting business practices. Reports should be objective, impartial and unbiased. They should be based on facts and evidences, providing a fair and balanced assessment. The delivery of audit reports has to be timely for ensuring that the data and information is relevant and may be acted upon in a timely manner before it is too late and outdated.

A key aspect of an audit report is its relevance in terms of time, place and activity. The information included in the report should be pertinent to the stakeholders, focusing on key issues and significant findings. Another important element is consistency, maintaining a standard design, format and approach in reporting. This ensures comparing and contrasting of findings over a period of time.

Also, comprehensiveness in covering all the necessary aspects of the audit in a report provides a complete picture of the enterprise under review. Most important is the confidentiality of the report that protects sensitive and secret information. This practice ensures that it is only disclosed to concerned authorities, enterprises and individuals. The most important aspect of audit is to take actions based on a report. Also, providing realistic recommendations based on findings reveals that stakeholders may address any issues identified. The above mentioned values ensure that audit reports are effective means of decision-making by concerned authorities. This guarantees risk management and organizational improvement in Ethiopia.

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

Editorial

Ethiopian in enhancing connectivity; promoting integration

The official diplomatic relations between Poland and Ethiopia were established on July 14th, 1945. Since that time, the bilateral discussions and high-level government visits between the two sisterly countries have been strengthened.

In 1961, the governments of the two countries raised their diplomatic missions in Addis Ababa and Moscow to the rank of embassies.

However, the level of bilateral trade and investment between Ethiopia and Poland was not at the desired level; rather it was far below the potential.

Opportunely, the recent announcement of the *Ethiopian Airlines* to commence flight to Warsaw, the capital city of Polish, would mark a significant milestone and open a new chapter in elevating relations and cooperation between the two nations in various areas.

It would promote trade and investment; reinforce partnership and cooperation on diverse areas such as education and health, science and technology transfer as well as strengthening tourism and people-to-people ties which in turn contribute to Ethiopia's growth and at the same time benefiting Poland.

Following the commencement of Ethiopian flight to Poland, *Ethiopian Foreign Minister* Amb. Misganu Arega stated the key role that the commencement of the flight to Warsaw play to Ethiopia and Poland in terms of increasing trade and investment by enhancing connections.

Amb. Misganu also highlighted numerous opportunities for collaboration between Poland and Ethiopia in technology, science, culture and arts, infrastructure, and other sectors.

Polish Amb. to Ethiopia, Przemysław Bobak also said that the beginning of the flight will strengthen economic integrations and political relations between the two countries and enable them to work on security issues.

Mentioning the numerous opportunities available for collaboration between the two parties including in technology, science, culture and arts, infrastructure, and other sectors, Ambassador Przemysław remarked that efforts are underway to further reinforce the long-standing partnership across various areas of cooperation.

In fact, the flag carrier Ethiopian has been playing an incalculable role not only in transporting passengers but also connecting countries of the world and strengthening social and economic integrations between and among nations across the globe.

In its 78 years of journey in the aviation industry, the flag carrier, which is also a source of national pride for Ethiopia and Africa, has been serving as a bridge in connecting the African continent with the wider world, being the most trusted and preferred airlines.

For strings of years, *Ethiopian Airlines* has been selected as the best airliner in Africa. With its growing connectivity, the flag bearer has also been a diplomat in action helping the country's diplomatic missions. The airline has been promoting Ethiopia's diplomatic objectives in terms of service provision and strengthening people-to-people partnerships.

Carrying the tri-colored Ethiopian flag, *Ethiopian* has been flying to all corners of the globe connecting not only Ethiopia but Africa with the rest of the world.

Currently, by growing rapidly and expanding its destinations, as of June 2023, the carrier served 133 international, 22 domestic passenger destinations, and 68 cargo destinations with daily and multiple flights. More than any other airline, Ethiopian serves 63 destinations in Africa.

It is clear that more flights mean more connectivity and enhanced cultural, economic and political exchanges between countries. From the host of the United Nations to the seat of the European Union, Ethiopia is flying to countries around the close range to the far lungs of the world. With Warsaw, the seat of NATO being its latest destination in direct flights, the airlines have linked Ethiopia to strategic places.



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The Ethiopian Herald

Opinion

The impact of foreign banking on Ethiopia's economy

BY SOLOMON DIBBABA

Foreign banks can introduce innovative banking services such as digital and mobile banking, which can reach remote and underserved areas, thus enhancing financial inclusion. They bring a wide range of financial products, including savings accounts, loans, and insurance, which cater to different customer needs.

The entry of foreign banks can lead to increased competition, prompting local banks to improve their service quality and customer satisfaction.

Such competition can result in reduced banking fees and better interest rates for customers. Moreover, foreign banks can facilitate access to international capital markets, attracting foreign direct investment (FDI) to Ethiopia. This could result in greater capital availability can support large-scale infrastructure projects and business expansions, driving economic growth.

Foreign banks can introduce international best practices and advanced banking technologies, fostering skill development among local banking professionals. They often invest in training programs for their employees, enhancing the overall expertise in the financial sector.

The presence of foreign banks can diversify the banking sector, reducing systemic risks and enhancing financial stability. These banks typically adhere to high international regulatory standards, which can improve the overall regulatory environment.

In addition, they can provide trade finance services that support Ethiopian exporters and importers, facilitating international trade. Their extensive international networks can help Ethiopian businesses access global markets more efficiently. The entry of foreign banks can promote economic integration with neighboring countries and the global economy. Strong financial ties with other countries can lead to broader economic collaborations and partnerships.

Foreign banks can introduce advanced banking technologies such as online banking, block chain, and AI-driven financial services. These technologies can increase operational efficiency and customer convenience. Foreign banks often offer personalized banking services tailored to different customer segments. With more branches and ATMs, foreign banks can enhance the accessibility of banking services.

What are the possible challenges that local banks can face and how could they resolve these challenges? Implementing policies that support local banks, such as capacity building and regulatory protection, can help mitigate competition challenges. Ensuring a robust regulatory framework to oversee foreign bank operations and prevent any adverse impacts on the local economy. Adopting a balanced approach to foreign bank entry to maintain economic sovereignty while benefiting from foreign investment

Allowing foreign banks to operate in Ethiopia offers numerous advantages, including increased financial inclusion, enhanced competition, access to international capital, and improved financial stability. These benefits can significantly contribute to Ethiopia's economic development and integration into the global economy, provided that regulatory measures are in place to manage potential challenges.

If they are to functionally survive the influx of foreign banks to Ethiopia, local banks need to

reestablish themselves based on the directives of the NBE and relevant banking laws of the country.

The proclamation that provides for allowing foreign banks may subject local banks to a number of challenges.

Local banks may struggle to compete with the advanced technologies, global networks, and financial strength of foreign banks, potentially losing market share. Moreover, increased competition can lead to reduced profit margins for local banks as they try to match the services and pricing offered by foreign banks. On the other hand, the National Bank of Ethiopia (NBE) may face challenges in regulating and supervising a more complex banking sector with diverse foreign entities.

Ensuring that foreign banks comply with local regulations and standards can be difficult, especially if these banks operate under different international regulatory frameworks. Foreign banks might prioritize the interests of their parent companies or countries, potentially influencing local economic decisions and policies. There is a risk that foreign banks may repatriate profits to their home countries, leading to capital flight and reduced domestic investment.

The entry of large foreign banks can introduce systemic risks if these banks dominate the market and their failure impacts the entire financial system. Foreign banks might engage in riskier financial practices that are unfamiliar to local regulators, potentially destabilizing the banking sector. Foreign banks may face challenges in understanding and adapting to local business cultures, customer behaviors, and market condition Products and services offered by foreign banks may not always align with the needs and preferences of local customers.

Local banks may downsize or close branches due to increased competition, leading to job losses in the banking sector. While foreign banks may introduce advanced technologies, there may be a skills gap among the local workforce, necessitating significant training and development efforts. Foreign banks might exploit differences in regulatory frameworks between their home countries and Ethiopia, leading to regulatory arbitrage. This could give foreign banks an unfair competitive advantage over local banks that are strictly regulated.

The Government of Ethiopia might be forced to introduce several mitigating factors which among other things can include enhancing the capacity of the NBE to effectively regulate and supervise both local and foreign banks, developing regulatory standards that align with international best practices while addressing local market conditions, providing incentives for local banks to upgrade their technologies and services to compete effectively, encouraging partnerships and joint ventures between local and foreign banks to facilitate knowledge transfer and capacity building, implementing measures to manage and control the repatriation of profits by foreign banks. Ensuring that foreign banks operate in a manner that supports national economic goals and priorities is also very important.

Conducting thorough risk assessments and implementing robust risk management frameworks for foreign bank operations is also of critical importance. Nonetheless, developing contingency plans and crisis management protocols to address potential failures of foreign banks must also be seriously considered.

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

Business & Economy

Ethiopia aiming to become the premier FDI destination in East Africa

BY LAKACHEW ATINAFU

Ethiopia has set its sights on becoming the top Foreign Direct Investment (FDI) destination in the East Africa region. The government has implemented a range of policies and initiatives in recent years to attract greater inflows of international capital and position Ethiopia as a premier investment hub.

At the center of this push is Ethiopia's ambitious Growth and Transformation Plan (GTP), a strategic roadmap launched in 2010 that aims to transform the country into a middle-income economy by 2030. A key pillar of the GTP is to significantly increase FDI and leverage foreign capital to drive industrialization, infrastructure development and overall economic modernization.

"Attracting FDI is an absolute priority for the Ethiopian government," said scholars, we recognized that foreign investment will be critical to achieving our economic development goals and turning Ethiopia into a prosperous, industrialized nation."

To that end, the government has taken several steps to improve the country's investment climate. This includes streamlining business registration procedures, establishing industrial parks with attractive tax incentives, upgrading transportation and power infrastructure, and strengthening intellectual property protections. Ethiopia has also signed bilateral investment treaties with over 30 countries to provide legal protections and guarantees for foreign investors.

The efforts appear to be paying dividends. Ethiopia has consistently ranked among the top recipients of FDI in East Africa in recent years, drawing in an estimated \$4.2 billion in 2022 alone. Much of this investment has gone into manufacturing, agriculture, real estate, and the burgeoning tech sector.

However, industry experts say more can be done to fully capitalize on Ethiopia's investment potential. Local business leaders point to the need for further reforms to reduce bureaucratic red tape, tackle corruption, and improve the foreign exchange rules- longstanding challenges that continue to constrain the business environment.

"The government has made good progress, but there is still work to be done to create a truly seamless and attractive investment climate," said Hailemariam Desalegn, the CEO of a major Ethiopian conglomerate and the former Premier of Ethiopia. "Strengthening public-private collaboration and listening to the concerns of the business community will be critical going forward."

Additionally, analysts argue that Ethiopia must do more to cultivate a pipeline of bankable projects, enhance workforce skills, and promote the country's



investment opportunities on the global stage. Leveraging the diaspora community and forging stronger ties with the regional business community could also help drive FDI flows.

Overall, Ethiopia's ambition to become East Africa's premier FDI destination is an achievable goal, but will require a sustained, multi-pronged effort by both the government and the private sector. With the right policies and strategies in place, many believe Ethiopia is poised to become a magnet for international capital in the years ahead.

In an address to the 36th regular session of the House of People's Representatives, Prime Minister Abiy Ahmed (PhD) unveiled Ethiopia's extraordinary economic achievements, painting a picture of resilience and strategic growth amidst a turbulent global economic landscape.

"Our world has been mired in a series of man-made and natural disasters," the Prime Minister stated, acknowledging the challenges faced not only by Ethiopia but by the global community.

Despite these obstacles, including pandemics, conflicts, and regional instabilities, Ethiopia has managed to chart a course of impressive economic progress, he said.

In terms of debt reduction, one of the most striking achievements highlighted by Prime Minister Abiy is the significant reduction in Ethiopia's external debt.

"Today, we have managed to reduce our country's external debt to 17 percent of GDP," he announced. This figure is particularly impressive when compared to the Sub-Saharan African average of 60 percent, he said.

The Prime Minister also emphasized the government's commitment to further reducing this debt, stating, "In the coming years, through continued efforts, we must bring this below 10 percent."

This debt reduction strategy has been coupled with a strict no-commercial-loan policy. "For the past six years, we have not borrowed a single cent in commercial

loans," Prime Minister Abiy declared, underscoring the government's commitment to fiscal discipline.

Regarding revenue collection and budget management, he elaborated that the government's financial management has shown remarkable improvement. Prime Minister Abiy reported that out of a targeted 529 billion Birr in revenue for the budget year, 466 billion Birr has been collected in just 11 months, representing a 96 percent achievement rate. This success is particularly noteworthy given the ambitious nature of the target.

Furthermore, the budget deficit has been significantly reduced from 4 percent to 2.5 percent, a testament to improved fiscal management. "This is a major achievement," the Prime Minister noted, "but we must consider how to address even this 2.5 percent deficit."

In terms of export growth and import substitution, he said that despite regional challenges, particularly in the Red Sea area, Ethiopia's exports have shown impressive growth.

"This year, we have managed to earn over 10 billion USD from exports of goods and services," Prime Minister Abiy reported. He highlighted significant improvements in oilseeds, pulses, gold, coffee, and flower exports.

The Prime Minister also emphasized the country's successful import substitution efforts. "We have substituted over USD 2 billion USD worth of imports with domestic production," he stated, wheat is one of the substitute commodity.

Regarding Foreign Direct Investment and Remittances, Prime Minister Abiy said that Ethiopia continues to be a top destination for Foreign Direct Investment (FDI) in East Africa, attracting over three billion USD.

Additionally, remittances have exceeded 6.5 billion USD, showing improvement from the previous year, although the Prime Minister acknowledged that this figure is still low compared to other African countries.

"Considering the conflicts, reduced aid, lack of loans, and challenges in the Red Sea, we

believe we have achieved successful results this year." Prime Minister Abiy said. These achievements, he emphasized, provide a strong foundation for future economic growth and development across all sectors of the Ethiopian economy.

As Ethiopia continues to navigate global uncertainties, its economic resilience and strategic approach to growth stand as a testament to effective policy implementation and visionary leadership, he elaborated.

The importance of Foreign Direct Investment (FDI) for Ethiopia's development is significant. Here are some key reasons why FDI is critical to Ethiopia's economic and social progress:

1. **Capital Injection:** FDI provides much-needed capital infusion into the Ethiopian economy. This capital can be used to fund large-scale infrastructure projects, industrial development, and other long-term investments that are essential for sustained economic growth.

2. **Technology and Know-How Transfer:** Foreign companies often bring advanced technologies, managerial expertise, and business best practices that can be transferred to local firms and industries. This helps to modernize Ethiopia's production capabilities and improve productivity.

3. **Job Creation:** FDI projects typically create a large number of direct and indirect employment opportunities for Ethiopians. This helps to reduce unemployment, especially among the youth population, and improve living standards.

4. **Exports and Trade:** Many FDI projects in Ethiopia are geared towards producing goods and services for export markets. This boosts Ethiopia's export earnings, improves the trade balance, and integrates the country deeper into global value chains.

5. **Skill Development:** The presence of foreign companies offers opportunities for Ethiopians to gain valuable skills and on-the-job training, enhancing the country's human capital and employability.

6. **Tax Revenues:** FDI generates significant tax revenues for the Ethiopian government, providing critical resources for public spending on healthcare, education, and other social programs.

7. **Spillover Effects:** FDI can have positive spillover effects on domestic firms through linkages, competition, and demonstration effects, spurring innovation and productivity improvements in the local economy.

Given Ethiopia's large population, predominantly agrarian economy, and ambitious industrialization agenda, attracting substantial FDI is crucial to achieving the country's development goals outlined in the ten years perspective economic growth Plan. Continued efforts to improve the investment climate and promote Ethiopia as an attractive destination for foreign capital is vital to realizing the full benefits of FDI.

Art & Culture

Reggae: The African internationalist genre

BY SOLYANA BEKELE

“Don’t care where you come from; as long as you’re black, you’re an African.” In *How Europe Underdeveloped Africa*, Walter Rodney writes, “Africa is the continent of drums and percussion. African peoples reached the pinnacle of achievement in that sphere.” The pinnacle of this musical achievement that Rodney speaks of is best exemplified with reggae, the African Internationalist genre.

Reggae is a genre of music that came from Kingston, Jamaica in the late 1960s and gained worldwide popularity in the 1970s. Though reggae was not born in Africa, its main component—the drums—is certainly African. The drums are the very first thing one hears in most reggae songs. That’s for a reason; the drums are the heartbeat of reggae.

Reggae in the ‘60s was known as ska and had a much higher tempo. This was due to the fact that Africans in Jamaica wanted upbeat music that reflected the mood of the country—the mood exemplified by their newfound flag independence.

By the late ‘60s and early ‘70s, however, ska slowed down and became rocksteady. This only lasted for a brief moment, and rocksteady soon slowed down even more to become the reggae more widely recognized today.

The ‘70s, however, was when roots reggae developed as a subgenre of reggae. In its highest expression, roots reggae is a genre that both expresses the conditions that African people across the world face every day, and also calls for revolutionary resistance to overturn those conditions.

Roots reggae is the voice of the oppressed

Roots reggae songs tend to discuss colonial oppression experienced by African people worldwide. The issues that we experience under colonialism such as mass poverty, violence and the general oppression of African people are heavily discussed across reggae as the “Babylonian” agenda and system.

This is what makes reggae different. Reggae was a musical expression of the African working class and its conditions specifically from Jamaica.

Worldwide famous reggae artists that we know today like Bob Marley, Peter Tosh, Jimmy Cliff and many more had their beginnings in the poorest and most downtrodden places in Jamaica. One of the most critical places for reggae and known as reggae’s birthplace—is Trenchtown, located in Jamaica’s capital—Kingston.

Trenchtown was the historic place where Bob Marley, Peter Tosh, Bunny Wailer, and Rita Marley (Bob Marley’s wife) got together to form the band The Wailers.



Walter Rodney

The Wailers would later become the famous band known as Bob Marley & The Wailers. As their fame grew, their music continued to reflect the experiences they had as Africans living under colonial domination.

In their song “Them Belly Full (But We Hungry)” from the album *Natty Dread*, The Wailers discuss the way that the colonial mode of production keeps the masses hungry, while the bourgeoisie get richer and live off the masses. In “7 Days a Week,” Don Carlos sings about his experiences under capitalism by singing “working every day, just for this little pay” and “working 9 to 5 just to keep my kids alive/freedom is a must, I know.”

Women like Judy Mowatt also contributed to reggae by speaking on the special oppression African women face under colonialism in her song “Black Woman.” She sings, “Black woman I know you’ve struggled long, I feel your afflictions, to you I dedicate my song.”

It is with this African working class perspective that reggae was shaped and formed. Without this working class perspective, reggae artists wouldn’t have the level of understanding to speak to the masses about the material ways in which the colonial world order affects their day-to-day lives. The creation of reggae parallels that of African Internationalism, the official theory of the African People’s Socialist Party (APSP), in that they are both made for and by the African working class.

Identifying colonialism as the ultimate problem

African Internationalism “recognizes that capitalism, born as a parasitic world economy, has its origin in the assault on Africa and the global trade in African captives as well as the ensuing European onslaught on most of the world.” It posits that Africans anywhere in the world suffer at the hands of colonialism and regardless of where our country of birth is, we are Africans first and foremost.

Reggae artists may call it “Babylon” as Bob Marley had in his song “Babylon System,” but much like African Internationalism, reggae identifies this critical objective condition of our oppression to colonialism.

In his song “Marcus Garvey,” the artist Burning Spear (not to be confused with The Burning Spear newspaper, though it is a happy coincidence) laments “can’t get no food to eat, can’t get no money to spend,” acknowledging the blood-sucking system that colonialism is. In this song, Burning Spear invokes Marcus Garvey, the founder and leader of the Universal Negro Improvement Association (UNIA) in the early 20th century. Garvey’s leadership in that period of history mobilized the masses of the African working class because he understood the importance of class in the struggle to overthrow colonialism.

Name-dropping and saluting African leaders and ancestors is one of the many unique traits of reggae that sets it apart. There is so much rich history in the simple lyrics packed into many roots reggae

songs that it’s hard walking away without learning something.

Even in the early stages of reggae, this class consciousness is hard to miss. In “The Harder They Come” by Jimmy Cliff, a song featured in the classic movie of the same name, Cliff communicates the same oppression he faces under colonial capitalism by singing “They tell me of a pie up in the sky...” yet “They never seem to hear [me] cry,” while simultaneously resisting the “oppressors that try to keep [him] down.”

Reggae is the African Internationalist’s genre

The Africans that made reggae the world-renowned genre that it is today were able to do so because these Africans spoke about the very real and economic conditions they experienced as Africans living under colonial and neocolonial domination in the island of Jamaica. This experience was profound and universal; Africans in the United Kingdom, in the heart of one of the dominating colonial empires, also dealt with their experiences through the cultural expression that is reggae.

With this shared experience, under the global colonial capitalist system, also came the shedding of whatever false nationality was forced upon them by empires and the identification of us as Africans. As Peter Tosh proclaimed in his song “African,” don’t “mind your nationality, you have got the identity of an African.” The influence of the Garvey movement in this understanding of our identity cannot be understated.

It is with this African Internationalist understanding, though maybe unbeknownst to the artists, that they were able to speak on the fundamental experiences they faced moving through the world as oppressed working class Africans. It is with this consciousness, the yearning for freedom from colonial domination that Burning Spear sang “I and I want to be free” in “Free Black People.”

Reggae is one of the most profound forms of cultural expression of African musical history. At its roots, reggae is music made for and by the African working class. In its highest expressions, reggae not only identified our colonial conditions but also called for revolution to overturn them.

In his song “Chant Down Babylon,” Bob Marley opens with, “Come we go burn down Babylon one more time,” Peter Tosh calls for the masses to “Get up and stand up!” for one’s rights, and Steel Pulse urge the masses to “rally around the red, black and green!”

As we continue to combat colonialism, let us move with the knowledge that we are fighting the same fight as working class Africans living under the same system that is colonialism.

Global Affairs

Investing in teachers, school leaders key in keeping girls in school UN-African Union study finds

Investing in teachers and school leaders in Africa is the most important factor in promoting educational opportunities for girls, keeping them in school and ending child marriage, ultimately reducing gender inequality through education.

Having more female teachers in schools and having more of them lead the institutions is even more important for keeping the girls in school beyond the primary level and providing them with role models to motivate them to continue learning.

While low educational attainment for girls and child marriage are profoundly detrimental for the girls, their families, communities, and societies, investments in teachers and school leaders are also key in ending lack of learning, identified as the single biggest cause of school dropout for girls, besides traditional factors including social and cultural ones.

Despite data showing that less than a fifth of teachers at the secondary level for example, are women in many African countries, and the proportion of female school leaders is even lower, the teachers have been proven to improve student learning and girls' retention beyond primary and lower secondary school.

As a result, better opportunities must be given to women teachers and school leaders in order to bring additional benefits to girls' education, as women often remain in teaching for a longer time, a report by the United Nations and the African Union says.

The absence of the above has led to high drop-outs, resulting in low educational attainment, a higher prevalence of child marriage, and higher risks of early childbearing for girls across Africa, according to the report, *(Educating Girls and Ending Child Marriage in Africa: Investment Case and the Role of Teachers and School Leaders)*.

"Increasing investments in girls' education yields large economic benefits, apart from being the right thing to do. This requires interventions for adolescent girls, but it should also start with enhancing foundational learning through better teaching and school leadership," the document tabled at the 1st Pan-African Conference on Girls and Women's Education taking place July 2–5 in Addis Ababa, Ethiopia.

The lack of foundational learning is a key cause leading to drop-out in primary and lower-secondary schools, it finds, further noting that while teachers and school leaders are key to it, new approaches are also needed for pedagogy and for training teachers and school heads.

"Targeted interventions for adolescent girls are needed, but they often reach only a small share of girls still in school at that age; by contrast, improving foundational learning would benefit a larger share of



Girls at Dabaso Girls School in Malindi, Kenya, pose with a ball during break time. Universal secondary education could virtually end child marriage and reduce early childbearing by up to three-fourths, according to an African Union and UNESCO report

girls (and boys) and could also make sense from a cost-benefit point of view," it adds.

Parents in 10 francophone countries who responded to household surveys cited the lack of learning in school—the absence of teaching despite children attending classes—for their children dropping out, accounting for over 40 percent of both girls and boys dropping out of primary school, it further reveals.

The lack of learning, blamed on teacher absence, accounts for more than a third of students dropping out at the lower secondary level, meaning that improving learning could automatically lead to significantly increased educational attainment for girls and boys alike.

"To improve learning, reviews from impact evaluations and analysis of student assessment data suggest that teachers and school leaders are key. Yet new approaches are needed for professional development, including through structured pedagogy and training emphasizing practice. Teachers must also be better educated; household surveys for 10 francophone countries suggest that only one-third of teachers in primary schools have a post-secondary diploma," the survey carried out in 2023 laments.

It calls for "better opportunities" for female teachers and school principals, noting that this would bring additional benefits as women also tend to remain in teaching for a longer time compared to men.

Better professional standards and competency frameworks are also needed for teachers to make the profession more attractive and gender-sensitive, it finds, revealing that countries have not yet "treated teaching as a career" and lack a clear definition of competencies needed at different levels of the profession.

Throughout sub-Saharan Africa, just over two-thirds of girls complete their primary education and four in ten complete lower

secondary education explains the study authored by Quentin Wodon, Chata Male, and Adenike Onagoruwa for the African Union's International Centre for the Education of Girls and Women in Africa (AU/CIEFFA) and the UN agency for education, culture and science, UNESCO.

Quoting the latest data from the UNESCO Institute for Statistics, it reveals that while nine in ten girls complete their primary education and over three in four complete their lower secondary education globally, the proportions are much lower in Sub-Saharan Africa, where slightly over two-thirds of the girls—69 percent compared to 73 percent boys—complete their primary education, and four out of ten girls—43 percent compared to 46 percent boys—complete lower secondary education.

Providing girls and women with adequate opportunities for education could have large positive impacts on many development outcomes, including higher earnings and standards of living for families, ending child marriage and early childbearing, reducing fertility, on health and nutrition, and on well-being, among others.

It observes that gains made in earnings are substantial, especially with a secondary education, noting that women with primary education earn more than those with no education, "but women with secondary education earn more than twice as much, but gains with tertiary education are even larger."

Each additional year of secondary education for a girl could reduce their risk of marrying as a child and having a child before the age of 18.

"Universal secondary education could virtually end child marriage and reduce early childbearing by up to three-fourths. By contrast, primary education in most countries does not lead to large reductions in child marriage and early childbearing," it declares.

The organizations make a strong case for the importance of secondary education for girls, explaining that universal secondary education would also have health benefits, including increasing women's knowledge of HIV/AIDS by one-tenth, increasing women's decision-making for their own healthcare by a fourth, helping reduce under-five mortality by one-third, and potentially lowering under-five stunting in infants by up to 20 percent.

In addition, secondary education while ending child marriage could reduce fertility—the numbers of children women have over their lifetime nationally by a third on average—slowing population growth and enabling countries to benefit from the "demographic dividend."

Other benefits include a reduction in "intimate partner" violence, an increase in women's decision-making in the household by a fifth and the likelihood of registering children at birth by over 25 percent.

To remedy the crisis, there was a need to improve the attractiveness of the teaching profession as one way of getting more females heading schools, Wodon, Director of UNESCO's International Institute for Capacity Building in Africa (IICBA), said during the report's launch at the conference.

"Virtually all teachers are dissatisfied with their job, meaning that there is a need to improve job satisfaction in the profession besides improving salaries," he noted.

While retaining girls in school lowered fertility rates by up to a third in some countries, the study's aim for advocating for more education for girls had nothing to do with the need for lower fertility but was in the interest of empowering girls and women in decision-making.

Empowering girls through education places them in a better position in society in terms of power relations between them and males, observed Lorato Modongo, an AU-CIEFFA official.

"It is a fact that we cannot educate girls without challenging power dynamics in patriarchal settings, where men make decisions for everyone," she noted.

Overall, the report regrets that gender imbalances in education and beyond, including in occupational choices, result from deep-seated biases and discrimination against women, which percolate into education. It is therefore essential to reduce inequality both in and through education, acknowledging that education has a key role to play in reducing broader gender inequalities in societies.

"While educating girls and ending child marriage is the right thing to do, it is also a smart economic investment."

Law & Politics



Ethiopian: A winged diplomat

BY DANIEL ALEMAYEHU

For strings of years, Ethiopian Airlines has been selected as the best airliner in Africa. With its growing connectivity, the flag bearer has also been a diplomat in action helping the country's diplomatic missions. The airline has been promoting Ethiopia's diplomatic objectives in terms of service provision and strengthening people-to-people partnerships.

Carrying the tri-colored Ethiopian flag, Ethiopian has been flying to all corners of the globe connecting not only Ethiopia but Africa with the rest of the world. More flights mean more connectivity and enhanced cultural, economic and political exchanges between countries. From the host of the United Nations to the seat of the European Union, Ethiopia is flying to countries around the close range to the far lungs of the world. With Warsaw, the seat of NATO being its latest destination in direct flights, the airlines have linked Ethiopia to strategic places.

The airline has also been one of the major flight service providers around the world and the best in Africa. It has tested its potential not only by transporting passengers from around the world but also by providing cargo services that stand for humanity even at times of adversity like COVID-19.

The flag carrier has also received various awards for its outstanding performance in the service sector, but it is far more important for Ethiopia and its people as it serves as a flying diplomat and promotes and strengthens the bond between people around the globe in several ways.

From the cusp of becoming operational back on April 08, 1946, the Ethiopian Airlines Group kept stretching its wings to every corner of the world. The airline has been popular in providing the best quality of services for its passengers with Ethiopian hospitality. Advancing its popularity and acceptance in the aviation industry, the Ethiopian continues to add more destinations to its pocket. To this point, just recently, the Ethiopian Airlines

Group has announced the starting of a direct flight to Warsaw, Poland which marks its 24th Europe destination and more than 135 destinations globally.

Such transportation service has a huge impact on a country's overall socio-economic and people-to-people partnership with its destination countries. As a result, the flag carrier has been connecting Ethiopia to the world and scaling up partnerships. Again, diplomatic activities are highly intermingled with such connections between countries. Ethiopia has been used as a tool to foster collaborations between Ethiopia and its destinations.

During the inaugural ceremony of the direct flight from Addis to Warsaw, Poland, Mesfin Tassew, CEO of the Ethiopian Airlines Group, voiced the positive effect of such a flight for the nation and how partnerships can be fostered.

Mesfin stated, "Our two countries have built strong economic and diplomatic ties, fostering collaboration in various sectors including trade, tourism and cultural exchange. This new route will further strengthen our bilateral relations, opening new avenues for cooperation and growth."

Apart from that, the Ethiopian has been an inspiration of Pan- Pan-Africanism and connecting the African continent to the world. Accordingly, Mesfin added that the start of a new route to Warsaw, Poland shows the continuous efforts that the Ethiopian has made to connect Africa to the rest of the world, enhancing Ethiopia's global network and facilitating the movement of people and goods across continents.

In addition, the CEO noted, "This momentous occasion marks a significant milestone in our airlines' unwavering commitment to expanding our global reach and connecting to the world. As the largest pan-African airline in Africa, Ethiopian Airlines is continuously striving to bridge continents and cultures, fostering economic growth and cultural

exchange. Our expansion into Warsaw is a testament to our belief in the immense potential of Poland and its thriving economy."

The CEO has also noted the Airline's recent awards and achievements, saying, "Ethiopian Airlines continues to soar, recently honored with six prestigious awards, including the Best Airline in Africa for the seventh consecutive year."

By the same token, Misganu Arega, State Minister at the Ministry of Foreign Affairs, on his part, also discussed the two counterparts' bilateral relations in various areas. He said the commencement of the direct flight between the two countries has the potential to strengthen the two nations' diplomatic and economic ties, adding, "Ethiopia and Poland share a history of friendship and cooperation that spans decades. We established a diplomatic relation in the 1930s, which makes it 94 years of diplomatic relation."

Misganu also expressed that the two nations' bilateral relations are cemented in mutual respect, shared values, and a commitment to advocating peace and development on both regional and global scales. "Back-to-back High Government Official visits from Emperor Haile Selassie and President Mulatu Teshome to President Andrzej Duda are a testament to the historical and cordial relations between the two nations that enjoyed for close to a century," added Misganu.

"Education and people-to-people relations and exchanges are also integral to our bilateral relations. Poland's expertise in the academic field, such as engineering, medicine, and science complements Ethiopia's commitment to enhance the educational infrastructure capabilities. Poland is supporting Ethiopia's educational sector in school-age scholarship programs, of which Ethiopia is currently the second-highest recipient in sub-Saharan Africa," said the state minister.

On top of that, as to Misganu, the two nations are partnered in sectors including the agricultural mechanization service

and health care sectors. Ethiopia considers Poland as its valuable partner as there are several opportunities for collaboration in sectors such as agriculture, technology, and infrastructure development.

"This flight definitely will advance our investment and trade relations, and it will promote Ethiopia's connectivity to Eastern Europe. It will promote further Africa's relation to Eastern Europe, particularly to Poland and will not only facilitate easier travel for business leaders and investors but also serve as a channel for exploring new avenues of trade and investment between our two nations. Moreover, the flight symbolizes more than just a connection between two cities. It represents the strengthening of bonds between Ethiopia and Poland," Misganu added.

Similarly, Przemyslaw Bobak, Ambassador of Poland to Ethiopia, stated that such kind of direct flights connect people, adding, "This type of connection brings societies closer together including the ordinary people, politicians, artists, and also business people. The connection is a huge leap forward to reinforce the bridge between our two countries and also between Africa and Europe," added the ambassador.

In addition, the ambassador also acknowledged the existing partnership between the two counterparts. "We have always been excellent friends, and our relations, political, economic, and people-to-people contacts are positive. The flight will help us make it even stronger," Ambassador Bobak elucidated.

Speaking of people-to-people relations, the Ambassador mentioned that Poland has many good universities and foreign students who are skillful and competitive, and the once who want to deepen their academic knowledge in our academic premises are free to join them. In this regard, as to Ambassador Bobak, the Government of Poland offers special types of scholarships for second-degree students. As it is on a competitive basis, "There are many young Ethiopians who apply and can get this scholarship."

INTERNATIONAL News

Liberian president cuts his salary by 40%

Liberia's President Joseph Boakai has announced that he will slash his salary by 40%.

His office said he hoped to set a precedent for "responsible governance" and demonstrate "solidarity" with Liberians.

Government salaries have been under intense scrutiny recently as Liberians complain about the rising cost of living. Around one in five people live on less than \$2 (£1.70) a day in the West African state.

MrBoakai revealed in February that his annual salary was \$13,400. The cut will bring it down to \$8,000.

MrBoakai's move echoes that of his predecessor, George Weah, who took a 25% cut in his salary.

Some in the West African nation have hailed MrBoakai's decision, but others wonder whether it is truly a sacrifice given that he also receives benefits like a daily allowance and medical cover.

The presidential office's budget is almost \$3m this year.

Anderson D Miamen, from non-profit organisation the Centre of Transparency and Accountability in Liberia, said the president's pay cut is "welcoming".

"We just hope that the public will clearly



Joseph Boakai's decision has been welcomed by some Liberians

see where the deductions will go and how they will be used to positively impact the lives of the people," he told the BBC.

W Lawrence Yealue II, whose organization also campaigns for government transparency, described

the president's decision as "very commendable" and said that "leadership has to be provided from the top".

He added that hoped MrBoakai's benefits would be reviewed in the budget for the next financial year.

As well as reducing his salary,

MrBoakai has pledged to "empower" Liberia's Civil Service Agency to make sure public servants "receive fair compensation for their contributions to the country".

Last week a group of lawmakers complained they had not received their official cars, which they needed to perform their duties.

As a form of protest, they turned up to parliament in tuk-tuks, known locally as kehkeh, a common mode of transport for ordinary Liberians.

Mr.Boakai took office in January after defeating MrWeah in a run-off election.

He vowed to tackle corruption and financial mismanagement.

As well as declaring his assets since taking office, MrBoakai has ordered an audit of the presidential office. The results have not yet been released.

MrBoakai has also beefed up the General Auditing Commission and the Liberia Anti-Corruption Commission.

MrWeah's government was plagued by allegations of corruption, and lavish spending, which triggered mass protests as the cost of living spiralled for ordinary people.

Source: BBC

US blocks British court from British territory

The US government has blocked a British court hearing from taking place on a British territory, citing security concerns, the BBC understands.

The supreme court of British Indian Ocean Territory (BIOT) was due to hold a hearing this week, attended by the BBC, on whether a group of migrants was being unlawfully detained on the island of Diego Garcia.

The island hosts a secretive UK-US military base and access is heavily restricted.

The US last week withdrew consent for lawyers representing the migrants and the BBC to access the island, and said it would not provide those arriving for the hearing with transport, accommodation or food until its concerns had been addressed, the BBC understands.

Late on Thursday night - hours before flights for the first leg of the journey from the UK were due to depart - the court shared with the BBC an order vacating the hearing.

Britain took control of the Chagos Islands, of which Diego Garcia is part, from its then colony, Mauritius, in

1965. It went on to evict its population of more than 1,000 people to make way for the military base.

Agreements signed in 1966 allowed for an initial 50-year period of US use of the territory, plus a further 20 years. The agreement was then "rolled over" in 2016, and is now set to expire in 2036, according to the BIOT website.

BIOT is administered out of London but is described as being "constitutionally distinct" from the UK.

Mauritius, which won independence from the UK in 1968, maintains that the islands are its own and the United Nations' highest court has ruled that the UK's administration of the territory is "unlawful" and must end.

Most personnel and resources on Diego Garcia are under the control of the US, including the majority of the accommodation and transport on the island as well as restaurants and shops.

The US military commander can refuse access to areas operated or controlled by the US military for security reasons.

The exact nature of the security

concerns being raised by the US are not clear, but it is understood they relate largely to a "site visit" being conducted as part of the hearing, which was set to include the migrant camp and several other parts of the island.

BIOT's official website states that access to the islands is only permitted to "those with connections either to the military facility or to the Territory's Administration".

Diego Garcia has been described as an important strategic base for the US. Earlier this year, two B-52 bombers were sent there for training exercises.

In recent decades, US planes have been sent from the base to bomb Afghanistan and Iraq.

The UK government has confirmed that rendition flights landed on the territory in 2002 to refuel there, though former CIA director Mike Hayden has denied reports that it has ever been used to house and interrogate terror suspects.

Dozens of Sri Lankan Tamils landed on the island in October 2021, becoming the first people to file asylum claims on BIOT. Around 60 people, including

at least 16 children, remain there as complex legal battles are fought over their fate.

They are housed in tents in a fenced camp, guarded by private security company G4S.

Some have been flown to Rwanda for medical treatment following suicide attempts, and those with successful claims are waiting for a "safe third country" to be identified to resettle them in.

United Nations representatives visited the camp late last year and reported that conditions there amounted to arbitrary detention.

The Foreign Office has previously told the BBC that the island is not suitable for migrants to live on and that it is "working tirelessly to process the migrants' claims for protection and to find a suitable third country for those whose claims are upheld".

"At all times, the welfare and safety of migrants on BIOT has been our top priority," it said earlier this year.

Source BBC

Planet Earth

Multifaceted Benefits of Ethiopia's Green Legacy Initiative

BY GIRMACHEW GASHAW

The Green Legacy Initiative demonstrates Ethiopia's long-standing commitment to a multifaceted response to the effects of climate change and environmental degradation, which includes agroforestry, forest sector development, urban greening and renewal, and integrated water and soil resource management.

According to the United Nations, Green Legacy helps to reduce carbon dioxide in the atmosphere, and trees provide other environmental benefits. They help prevent soil erosion, provide habitat for wildlife, and improve the quality of air and water.

The green economy is inclusive and nondiscriminatory, encouraging equal income distribution and opportunities while reducing disparities between individuals. Energy efficiency: A green economy focuses on using resources efficiently and in a circular manner, reducing waste to a minimum.

The initiative is a mass tree planting program launched by Ethiopia's Prime Minister in 2019 with the goal of restoring degraded lands, increasing forest cover, and mitigating climate change. The initiative is significant as a comprehensive reforestation and conservation program aimed at addressing environmental, human health, and socioeconomic challenges.

The initiative creates job opportunities in nurseries, animal husbandry, beekeeping, poultry farming, and fruit and vegetable production. It is also expected to strengthen Ethiopia's international reputation as a leader in climate change mitigation. The Green Legacy Initiative has demonstrated to the world the importance of practical solutions to global climate change challenges.

The Green Legacy Initiative is more than just a domestic program; it has established Ethiopia as a role model in the fight against environmental degradation and deforestation over the last five years. Ethiopia has distributed hundreds of thousands of saplings to neighboring countries, spearheading regional efforts to mitigate the effects of changing weather patterns and frequent disasters.

Significant progress has been made in incorporating the Green Legacy Initiative into regional initiatives and improving the safety of trans-boundary rivers shared by neighboring countries. Over 200 countries have adopted the initiative as a best practice, demonstrating the importance of practical actions beyond conferences in combating climate change.

According to the Gulele Botanical Garden, Ethiopia's national afforestation campaign, which is part of the Green Legacy Initiative, has helped preserve the country's indigenous plant species.

Ethiopia is one of the world's most



biodiversity-rich countries, with over 6,000 plant species, 600 of which are endemic. This natural resource is under threat from a variety of factors, including climate change, pollution, and natural resource misuse.

However, the Green Legacy Initiative, which has been in place for the past five years, has prioritized forestation and the preservation of indigenous trees. According to reports, more than 32 billion tree seedlings were planted over the last five years of the Green Legacy Initiative, with a 90% survival rate. As a result of the initiative's activities, Ethiopia's forest cover report increased from 17.2 percent in 2019 to 23.6 percent in 2023.

During the Green Legacy pre-launch program last week, Prime Minister Abiy Ahmed announced plans to plant 7.5 billion trees as part of the National Green Legacy initiative this year under the theme "Generation that strengthens the country by planting trees."

It was discovered that the country's successive tree planting campaigns over the last several years have continued to focus on planting innovative trees. Brehanu Belay, the Director of Research and Development for Gulele Botanical Garden, discussed the conservation efforts that are currently underway to preserve indigenous trees close to extinction in the country.

According to Brehanu, tree planting campaigns conducted in recent years have helped raise awareness about the importance of nurturing and preserving trees for human use, as well as promoting the cognitive capacity of the country's citizens.

He also stated that the National Green Legacy Initiative has allowed the center to expand its outreach program by popularizing and raising public awareness about the importance of planting and nurturing



indigenous trees in the country.

The center is duplicating indigenous tree seedlings and distributing them to various institutions and communities for planting as part of the national green legacy initiative. The center is collecting samples of indigenous trees that are nearby to extinction and reproducing them in the center to ensure their survival.

Indigenous plants and trees used for traditional medicine and lumber are among those at risk of extinction. The task of preserving these indigenous trees should not be delegated to a single organization but done in a more coordinated manner at the national level.

The center is currently collaborating with various universities across the country to increase the preservation of endangered tree species.

In conclusion, considering its multifaceted advantages, stakeholders working in the area should provide unreserved support for Ethiopia's green legacy initiative.

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