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Fuad Genna

BRICS Summit opens global opportunities for Ethiopian youth

BY ASHENAFI ANIMUT

ADDIS ABABA – The BRICS Youth Summit has provided ample opportunity for Ethiopian youth to explore their future and global participation, according to the Ethiopian Youth Council (EYC).

The Ethiopian Youth Delegation participated in the 10th Round BRICS Youth Summit, held from July 22-26, 2024, in Ulyanovsk, Russia.

During a media briefing yesterday, EYC President Fuad Genna highlighted the council's efforts to ensure the socioeconomic and political participation of over forty million Ethiopian youth and promote their contribution to nation-building.

Fuad emphasized that the summit, a core framework of BRICS member countries, offered a significant

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Looking at flag carrier's future

BY YESUF ENDRIS

Ethiopian Airlines Group recently announced impressive growth statistics for the 2023/24 fiscal year, highlighting its strong performance and resilience in the challenging industry. The airline carried 17.1 million passengers, a 23% increase from the previous year, and logged over 577,746 flight hours, a 19% rise, underscoring its expanding footprint in global

aviation.

Despite these achievements, challenges remain from international competition and regional political instability. In response, Ethiopian Airlines is expanding its destinations and has ordered over 100 aircraft to boost capacity. Competitor Qatar Airways, rated the number one airline by an international rating institution, serves over 150 destinations with more than 200 aircraft, while Ethiopian Airlines serves 139 international destinations

with 145 aircraft.

As competition grows, Ethiopian Airlines Group is investing billions in its future. "The airline is growing in line with its 2035 vision. About 105 aircraft have already been ordered and are expected to be delivered from 2027 to 2030," said CEO Mesfin Tasew.

Despite global challenges in acquiring aircraft, the airline has significant demand and

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Macroeconomic reform critical to build vibrant free economy: MoPD

BY TSEGAYE TILAHUN

ADDIS ABABA – Ethiopia's latest comprehensive macroeconomic reform tailored to build vibrant and effective free economy, said the Ministry of Planning and Development (MoPD).

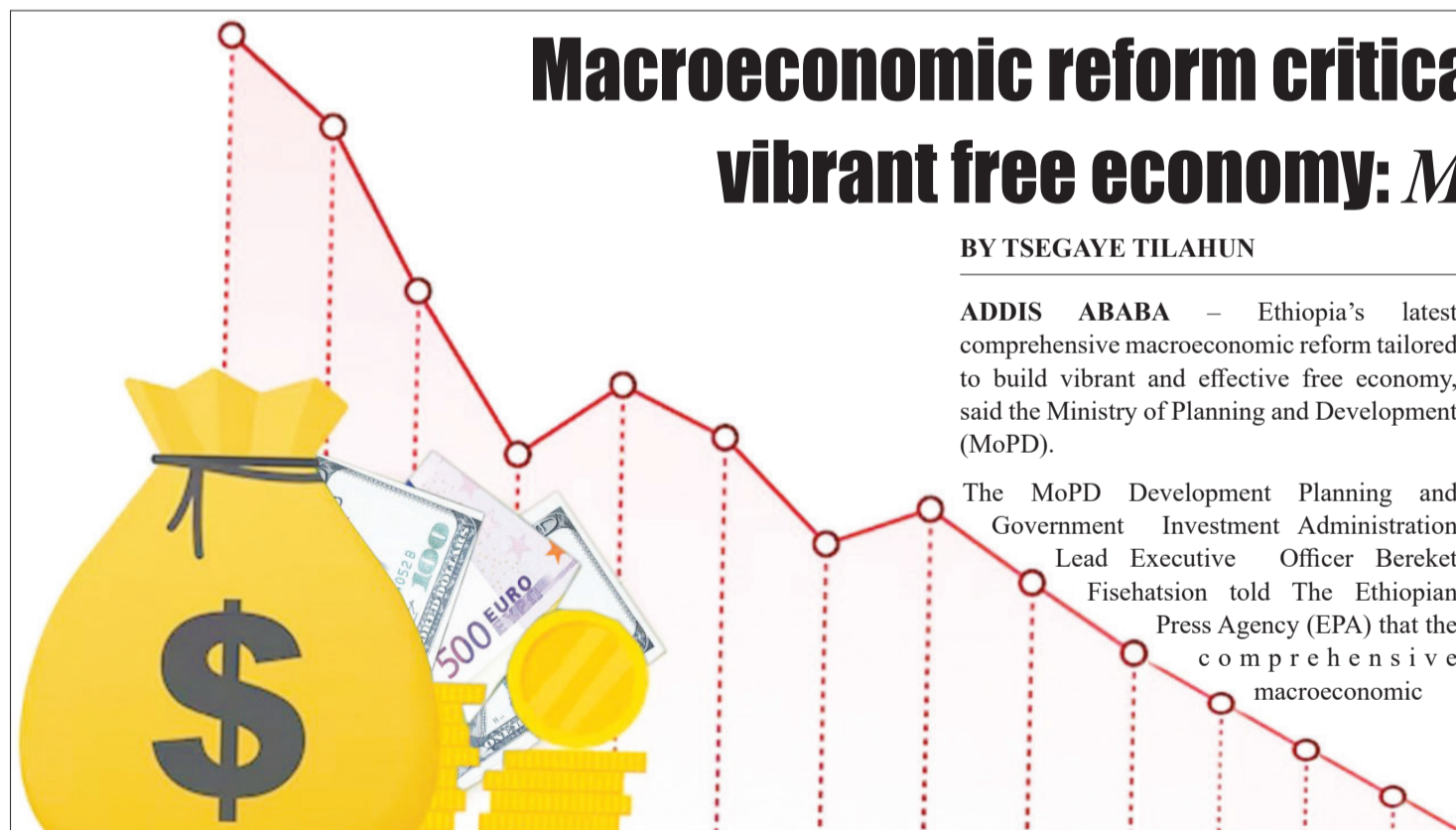
The MoPD Development Planning and Government Investment Administration Lead Executive Officer Bereket Fisehatsion told The Ethiopian Press Agency (EPA) that the comprehensive macroeconomic

reform would have a range of contributions such as increasing productivity, substituting imports, overcoming debt burden, improving foreign exchange earnings and so on.

Over the past years, the country has been undertaking various short and long term economic reforms, which include the ten-year development plan, homegrown economic reform and macroeconomic reform agendas, he mentioned.

The floating foreign exchange rate system is one of the macroeconomic reform agendas that the country lately introduced to overcome economic challenges, he said.

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Ethiopia's forex liberalization vis-à-vis BRICS membership

BY ADDISALEM MULAT

ADDIS ABABA—Ethiopia's latest forex liberalization and its BRICS membership would give impetus to national development drive, Official said indicating that country's entry to the bloc should not be misunderstood as joining "anti-dollar" group.

Institute of Foreign Affairs, Training Director General Melaku Mulualem told *The Ethiopian Herald* that the country should have foreign currency options as well as using its own currency for any international exchange since joining BRICS, a bloc which predominately targets ensuring members' national interest.

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News



Genet Aref

Tigray's SMEs in need of immediate support

BY MESERET BEHAILU

ADDIS ABABA – Adequate financial and technical support is urgently needed to recover small and medium enterprises (SMEs) in Tigray, State's Technical and Vocational Education and Training Enterprises Bureau said.

Bureau Head Genet Aref told *The Ethiopian Herald* that SMEs in Tigray require necessary support to bring back to their former status and resume contributing to the social and economic development of the region.

According to her, Tigray State's enterprises had been exposed to massive destruction due to the northern conflict that left them unable to operate with full capacity.

"Women and youth entrepreneurs should be supported with finance, capacity building, and related issues so as to realize development in the state," she noted.

She further stated that her institute has been carrying out various activities to reinstate the enterprises to solve the socio economic problems of the people in the state.

Accordingly, Genet stressed that it is a high time to make strong linkage with banks, private institutions, development partners, and government to restore the enterprises after the devastating conflict.

"For instance, the youth revolving fund and grant for women had previously assisted the area to encourage entrepreneurs. Therefore, activities such as bringing attitudinal improvement, modernizing data management system and the likes would play a significant role in recovering enterprises in this postwar period," she mentioned.

Recently, the small and medium enterprises development policy and strategy was ratified by the Council of Ministers aimed at encouraging the SMEs by creating enabling environment across the nation.

Among others, Genet said the newly ratified policy and strategy helps to encourage enterprises by creating jobs, and reducing poverty and unfairness.

IMF approves four-year 3.4 bln USD credit for Ethiopia

ADDIS ABABA (ENA) - The International Monetary Fund (IMF) executive board approved a four-year 3.4 billion USD extended credit facility arrangement for Ethiopia on Monday.

The four-year financing package will support the Homegrown Economic Reform (HGER) Agenda to address macroeconomic imbalances, restore external debt sustainability, and lay the foundations for higher, inclusive, and private sector-led growth.

The Executive Board's decision will enable an immediate disbursement of SDR 766.75 million (equivalent to about 1 billion USD), which will help Ethiopia meet its balance of payments needs and provide support to the budget.

The homegrown economic program, supported by the four-year ECF arrangement, envisages a comprehensive policy package to stimulate private sector activity and increase economic openness to promote higher and more inclusive growth.

According to IMF press release, strengthening social safety nets to mitigate the impact of reforms on vulnerable households is a critical component of the authorities' reform program.

Key policies include: (i) moving to a market-determined exchange rate to help



address external imbalances and relieve FX shortages; (ii) combating inflation through modernizing the monetary policy framework, eliminating monetary financing of the budget, and reducing financial repression; (iii) creating space for priority public spending through mobilizing domestic revenues; (iv) restoring debt sustainability, including through securing timely debt restructuring agreements with external creditors; and (v) strengthening the financial position of state-owned enterprises to tackle critical macro-financial vulnerabilities.

"This is a landmark moment for Ethiopia", said IMF Managing Director Kristalina Georgieva. "The approval of the ECF is a testament to Ethiopia's strong commitment to transformative reforms. The IMF looks forward to supporting these efforts to help make the economy more vibrant, stable, and inclusive for all Ethiopians."

The program is expected to help catalyze additional external financing from development partners and provide a framework for the successful completion of the ongoing debt restructuring.

Federation advocates for PWDs rights, inclusion in nat'l peace

BY MESERET BEHAILU

ADAMA – The Oromia State Federation of Ethiopian Associations of Persons with Disabilities (OSFEAPD) has called on concerned bodies to protect the rights of Persons with Disabilities (PWDs) and include them in national peace solutions in a sustainable manner.

In an interview with *The Ethiopian Herald* during a sideline event of the Ethiopian National Dialogue Commission (ENDC), OSFEAPD President Derara Tafa emphasized that paying attention to disabilities should be a priority.

According to the President, the participation of PWDs in national economic, political, and social practices remains low, despite the fact that there are over 20 million PWDs in Ethiopia, a number that may rise due to sporadic conflicts in parts of the nation.

"The active participation of PWDs in bringing lasting peace is crucial for the nation. Therefore, giving serious attention to disability issues is timely and significant as they have their own policies, agendas, and rights."

Derara further stated that the ENDC strives to create a conducive atmosphere for PWDs to engage in inclusive and participatory dialogue across the country. So far, Oromia State has provided the ENDC with agendas regarding national policy changes aimed at assisting sustainable development goals



Abdu Ali

(SDGs 2030) and involving them in national development issues.

Oromia State has been raising awareness among persons with disabilities to involve them in national development and sustainable issues, thereby ensuring they exercise their rights.

From Southern Ethiopia State, Abdu Ali, a 56-year-old blind man, emphasized that PWDs should be part of the solution through a sense of ownership. Such participation helps to understand the rights and responsibilities of each party towards a fruitful National Dialogue and lasting peace. Additionally, the ENDC helps to understand the level of disabilities in terms of National Dialogue and contributes to addressing the issue.



Derara Tafa

News

Company reducing nation's outlay to teach insurance professionals abroad

BY MISGANAW ASNAKE

ADDIS ABABA –Promoting local trainings would help Ethiopia reduce expenses to teach insurance professionals overseas, Bruh Finance Company announced, as it commenced a diploma program for higher insurance managers.

Bruh Finance Founder and CEO Getachew Beshahwred told *The Ethiopian Herald* that the company is providing training to create skillful insurance professional in certificate insurance (Cert. CII).

It has now started training in diploma to produce skillful insurance professionals with the help of local teachers and in pursuit of promoting domestic knowledge complying with international standards, he stated.

“We are giving providing to fulfill the domestic insurance professional gap by recruiting experts in the insurance sector - what the nation needs at this time,” he said.

According to Getachew, such local trainings has an immense advantage to the country to recruit skillful manpower without spending huge



money for overseas' education.

To compete with rest of world, we need to improve industry in which Bruh Finance is playing part through inaugurating the first diploma program for 50 insurance higher managers last Saturday, he noted.

The Founder said that the company will expand its training program to major cities shortly to qualify and recruit competent insurance professional across the nation in order to fill the gap in the industry.

“Insurance industry must run and guided by professionals as major economic activities need insurance services when the economy shows growth,” he said.

Getachew added that his aim is to bring international qualification and exposure of insurance to Ethiopia and create link Addis with the rest of the world especially with Chartered Insurance Institute.

Association of Ethiopian Insurers President and CEO of Nyala Insurance SC, Yared Molla on

his part said that his company is working with Bruh Finance to mitigate shortage of skilled manpower that has seen in the Ethiopian insurance industry.

“We are happy on the inauguration of the Bruh Finance and Chartered Insurance Institute (CII) Diploma Program for 50 higher insurance managers drawn from all insurance companies in the nation in partnership with the Association of Ethiopian Insurers. This is a significant milestone that doubles Ethiopia's number of diploma holders in CII,” he said.

To him, the inauguration of the program marks a pivotal moment in the professional development of country's insurance sector, fosters expertise and enhances the industry's standards and inspires future professionals to pursue excellence in their fields.

“We need competent professional in the industry to serve the customer at better and standard level,” Yared said.

He also hailed the recent decision made by the National Bank of Ethiopia to act as independent regulator and move in the insurance industry is a major support and one stride in the transition.

Looking at flag...

is working to fill its gap.

A noted Political-Economic Analyst Lawrence Freeman told *The Ethiopian Herald* that the Airliner could achieve even greater progress with improved regional collaboration. By the same token, CEO Mesfin urged neighboring countries to collaborate, emphasizing the airline's importance to the people and economy of Eritrea.

Freeman emphasized the airline's role in promoting economic and political integration across Africa. Recognized as the number one airline in Africa for seven consecutive years, Ethiopian Airlines Group reported revenue of seven billion USD. The analyst mentioned the airline's significant impact on Ethiopia and its potential for further growth, particularly in manufacturing.

“During one of my trips to Addis Ababa, I toured

Ethiopian Airlines and was impressed by their engine and plane repair capabilities. This gives Ethiopia an advantage in manufacturing, which could be the next breakthrough for the country and its flag carrier.”

Senior economist Costentinos Berihutesfa (PhD) also predicted continued growth for Ethiopian Airlines, noting that Addis Ababa's status as a diplomatic hub presents a golden opportunity. Unlike declining Kenyan and South African airways, Ethiopian Airlines generates progressive revenue and profit each year, indicating a bright future.

The airline plans to expand flight frequencies and destinations, targeting new markets including China. It purchases airplanes based on technical and financial evaluations, feasibility studies, and business needs, with CEO Mesfin stating that these decisions may be reevaluated if necessary.

Ethiopia's forex liberalization...

“On January first 2024, Ethiopia became member of the BRICS group. Diplomatically it is a great success. It has also political and economic benefits. Some Western journalists explain this situation as if Ethiopia joined the de-dollarization group. This way of explanation is far from the truth. Joining the group is to fulfill the national interests of Ethiopia, not to affect the national interests of other country. BRICS has a lot programs to be executed. Using national currency among member states is one of the tasks included, but it is not the main objective of the group.”

This will help to diversify the number of currencies to be used for external trade in the world. It will also increase the importance of our local currencies for other BRICS member states. In trading with China, both governments can use RMB and Birr than USD or EURO. It is the trade between the two governments without passing through third countries currencies. This decision can be said “better late than never”. The owner of the hard currencies should also respect the local

currencies of other countries of the world.

He went on to say using local currencies among BRICS members is economic and national survival to Ethiopia and the group members at large. This will help to mitigate the shortage of hard currencies in the international trade. Of course in such process, he said, the dominance of hard currencies will be dwindled through time. This can be explained as a “side effect of a medicine.”

The current world order, using hard currency, is fundamental to external trade relationships. This has given a lot of benefits to the owner of the currency. On the other side, it has created shortages and damaged economy of the non-hard currency user country. For instance, the government of Ethiopia has no enough hard currency to external trade, to pay back loans, to cover costs of international conferences, to buy petroleum in hard currency and the like. Such challenge can be solved if Ethiopia use its own national currency with other countries, according to the Director General.

Macroeconomic reform...

This system would address country's structural economic problems, contributing to allocate resources in effective sectors, overcoming macroeconomic distortions, ensuring sustainable economic growth and its competitiveness, minimizing debt, ensuring fair and effective distribution of foreign exchange in successful sectors, encouraging production and productivity, correcting foreign exchange rate and others, Bereket added.

Moreover, it has a huge contribution to attracting FDI, substituting import, balancing trade deficit and debt structuring among others. In the long run, the new system would reduce debt to GDP ratio and it leads to increase export and revenue, he

noted.

“The fundamentals of this reform is getting the price right. If there is a right price in the country, the lenders would release extra finance to mobilize development finance. As a result, country's debt servicing would be significantly improved,” he said.

According to him, the current macroeconomic reform is directly related with the previous economic reforms and one of the reform measures that planned in the second homegrown economic reform agendas. There would be community sectors that might be impacted following the reform so that the government is working on safety net, subsidization and others legal measures to address these challenges.

BRICS Summit opens global...

platform for youth to discuss and explore various issues affecting their respective countries. The youth ministries and leaders from member countries addressed topics such as BRICS University networks, annual educational conferences, voluntarism, innovation, and skill development.

Youth representatives also had fruitful discussions on enhancing digital literacy, entrepreneurship, and job creation. The summit's focus areas included education training, entrepreneurship, science, technology, innovation, volunteerism, and sport, with members agreeing to cooperate in these fields.

During the deliberations, Ethiopia pledged its commitment to support and strengthen the BRICS bloc. On

the sidelines of the summit, the EYC held bilateral talks with China, UAE, Brazil, and Iran, reaching consensus on collaborative efforts in the mentioned areas, the president elaborated.

Additionally, agreements were made to convene the 2025 World Youth Development Forum. The delegation also visited Ulyanovsk State Pedagogical University and agreed to cooperate with Ethiopian universities.

“The summit has also created a platform to showcase Ethiopia's Green Legacy Initiative as an exemplary model on the global stage,” Fuad reiterated. He added that their successful participation has opened a new chapter for facilitating sustainable cooperative frameworks and future growth among member countries.

Opinion

Some effects of policy changes

BY GETACHEW MINAS

Government policy changes may have tremendous effects throughout the various segments of society and the economy. These alterations and transformations may influence the whole thing from enterprise activities and operations to social and individual behaviors. Some common factors affected by economic policy changes in Africa, including Ethiopia, may include market stability, enterprise operations, employment and income.

The social changes may comprise public services, inequality, public health and other environmental effects, including climate change. All these impacts may call for legal and regulatory changes that respond to various related issues. Government policy revisions ensure compliance and supportive situations. These revisions relate to various sector reforms, including tax, education and health. Experts have shown the probable effects of policy changes on the Ethiopian economic sectors and their impacts on different branches of the economy are briefly indicated below.

The economic effects of policy changes cause drastic consequences and outcomes in market stability and business operations. They influence changes in fiscal policy, such as tax rates and government spending. The latter one is strongly influenced by the rate and volume of revenue collected. Government expenditure is strictly determined by economic activities undertaken by the public sector.

The public sector expenditure is volatile due to the capacity of state enterprises to implement activities as indicated in the annual economic development plan. These enterprises may project extended engagement in activities that are beyond their capacities in terms of inputs such as labor, management, productive capacity and technology. Inflated productive capacity requires a huge investment that needs to be covered by the state budget. Project managers in Ethiopia usually inflate their projected expenditures with the assumption that they would be entitled to higher budget.

The level of budget allocated for covering planned expenditures by government agencies is an indicator of future trends. Economists are of the opinion that government budget may affect market stability and investor confidence. An imbalance between the demand for and supply of goods and services seriously affects the decision on investment.

Studies indicate that owners of enterprises in Ethiopia make decisions to produce goods and services that are in great demand. They also consider the existing capacities of other existing enterprises to produce and satisfy the market. It is

possible that they make decisions based on unreliable data and information. Once they made investment in certain enterprises they would not be able to disinvest or change their production process without incurring losses. In the extreme case, they may be forced to close their enterprises. Such action has its legal implication particularly in relation to the change of status of employees. When employees are laid off there is legal payment that accrues to each of them.

The legal entitlement is based on service, salaries or wages, and benefits guaranteed to each employee by collective agreement signed between the employer and trade union. Also other legal provisions regarding closure of enterprise due to policy changes affect the owners. These owners of enterprises report to different government entities about closure of their business. They are scared of reporting to the internal revenue service authority in Ethiopia about the termination of business activities. This is, however, a good opportunity for private legal entities dealing with termination of enterprises in the country. These entities charge legal fees when requested to handle the official closure of businesses. Initially, they investigate the reasons behind termination of business. Whatever the case may be they deal with owners of business on the official closure of business entities. They take the case to the labor and other courts. In a few cases, however, the market demand for goods and services produced by the enterprise may reinvigorate.

Business operations are based on regulations that can influence how businesses operate. If these business operations are not consistent with the regulations, they are bound to face internal and external obstacles. These impediments imply heavy costs related to inputs required by the business firm. These inputs may be raw materials, technical staff and tech. Any inconsistency in the use of these inputs may lead to problems of business operations.

The production of goods and services may be negatively affected if raw materials are not stored in time. Moreover, the technical staff should be aware of the values and uses of inputs applied in the production line. These inputs are converted in to outputs to satisfy the demand of consumers at home and abroad. However, if these outputs or products do not meet the requirements of consumers, they are bound to be discarded causing heavy losses to investors.

Failure to meet the demands of consumers may have heavy impacts on costs of production. These costs have to be minimized to the lowest level possible. If they continue to fall indefinitely, the production entity has to be terminated. An investor is wary of recurring business crises and tries to avoid any further losses. As a starting point, the losing enterprise, as mentioned earlier, terminates the workers,

after meeting the labor law requirements. Failure to meet such initial compliance requirements leads to rounds of business crises.

In some countries, including Ethiopia, a few workers may resort to physical destruction of firms if they are not given severance payment in time. These workers are desperate without alternative means of income to meet their basic needs. Probably, they are the sole source of means of survival for family members. All concerned parties, including managers and trade unions would, therefore, have to restructure the functions of their enterprise to retain their workers. They may be able to change the losing enterprise into a profitable one.

Profitable enterprises create opportunities for productive workers. To increase productivity, workers have to be trained in skills that generate more output per unit of input. This kind of performance guarantees the profitability of an enterprise which makes it contribute to government revenues through taxation. These revenues are in turn used to modernize infrastructure, power, and other inputs used by enterprises. This leads to a “virtuous circle,” which is a recurring cycle of actions, the result of each action increasing the “beneficial effect” of the next. Of course, both managers and trade unions have to be wary of the “vicious circle” of conflict germinating within their enterprises. This causes loss in terms of employment, output, revenue and foreign exchange to the country such as Ethiopia. Concerned agencies have to identify current and future dangers within enterprises in all sectors of the economy of the country. They have to scrutinize unfit elements in the policies, laws and regulation that affect employment rates, wages and job security in Ethiopia.

The social effects of policy changes are closely related to health, education and social welfare services. The health sector in Ethiopia delivers services to all groups of people irrespective of age, sex, ethnic or tribal affiliations. Hospitals, health centers, clinics and other health facilities are staffed with skilled personnel that are entrusted with the duty of protecting the people from all kinds of diseases that affect their livelihoods.

Similarly, the education sector is a major contributor to the expansion of school facilities in all regions of the country. Graduates of the teacher training and education institutions are assigned to these schools with the objective of enhancing educational quality throughout the country. The institutions responsible for the provision of education to all the Ethiopian people ensure that all students have proper access to primary, secondary and tertiary levels. The health and education services mentioned are financed by the taxpayers that provide revenues for the government to invest in the building of

these institutions.

Policy changes have immense social impacts on health and education in any country, including Ethiopia. They introduce changes in the delivery of healthcare, education, and welfare services. They may directly affect the quality and accessibility of these services. Policies that have the goal of redistribution, including taxation and social welfare programs, may reduce inequality of income and wealth.

As mentioned earlier, health policies, including vaccinations and access to healthcare may immensely contribute to improved public health outcomes. Apart from health and education, other regulations related to environment, for example, may improve pollution control, and adopt policies of conservation and renewable energy. These policies may be addressing climate change and encourage innovation in green technologies. However, these policies have to be expressed in terms of programs and projects with agencies legally entrusted with responsibility for their implementation.

Changes in legal frameworks require agencies to adapt to new compliance standards. This involves significant adjustments on the part of those qualified persons leading these agencies. These agencies may require work environments that stimulate innovation, with the support of policies, programs and budget. The government may, for example, introduce changes in tax policies that may influence expenditure in favor of innovations that contribute to overall economic growth in Ethiopia. These may be preceded by reforms that transform the productive capacity of the country.

The government policies may drive efforts of the public and private sectors to promote development. In brief, the impacts of government policy changes are multifaceted. They primarily ensure economic stability and social welfare for all Ethiopians operating in the different economic and social sectors.

Responsible institutions will contribute to the environmental sustainability of the country. Of course, all their efforts are conducted in compliance of the legal provisions in the country. Appreciating and understanding these provisions helps all stakeholders to anticipate and adapt to new regulations and policies of the country. The yardstick of positive outcomes of all policy changes should be their contribution to improved standard of living of the striving and hardworking people of Ethiopia.

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

Editorial

Opinion

Collaboration to preempt regional, continental security threats

Ethiopia's relationship with the neighboring countries and those beyond is a top priority. Adhering to its foreign policy of good neighborliness, the country has always been working to forge strong relations, reinforce collaboration in all aspects to address challenges, and establish peaceful relations; that basis mutual benefits, trust, and respect.

In its long history, Ethiopia has never been involved in an act of unprovoked aggression against its neighboring states or those beyond. As historical accounts indicate, all the wars that Ethiopia was involved in were instigated by foreign aggressors and their agents. This is proof of the nation's longstanding commitment to peace and stability not only within its boundaries but also in the region and beyond.

Ethiopia has been and is still playing an inimitable role in the peace and security of Africa by engaging in the UN peacekeeping operations held at different times. It also contributed greatly by brokering peace in Somalia and South Sudan among others under the peace talk efforts led by the AU. Consequently, it has contributed significantly to the peace and security of the region.

For decades, the Horn of Africa region has been equated with turmoil and considered a hotbed of incessant conflicts, by large a security concern for the international community.

With the region continuing to serve as a fertile land for terrorism, piracy, and other pitfalls, the big question however remains as to why one of the world's strategic regions failed to see headways in terms of ensuring durable peace and security. Prolonged conflict, abortive reforms, communal clashes, exodus, and armed struggle have been the grim face of the strategic yet volatile region.

As much as the positive trends unfolding in the region, peace has been in short supply for long. In turn, the area remains in murky waters with manmade and natural disasters triggering alarming and recurrent humanitarian crises.

So, based on this assessment, it is quite logical for Ethiopia to consider and give appropriate attention to empowering and nurturing its strategic leaders of the defense force, improving and building the country's defense forces, and modernizing the security apparatus.

Equally important, working in partnership with countries of the Horn and beyond, and strengthening diplomatic and amicable military relations by providing training for their military leaders, building their skills and knowledge is critical to strengthen the peace and security in the Horn Africa Region.

As part of this effort, recently, The Ethiopian War College graduated military officers in short and long-term courses, in regular and master's degree programs in areas of strategic leadership, national security, military professionalism, international relations, foreign policy, and diplomacy. Of which six were from African countries- from Kenya, South Sudan, Somaliland, Tanzania, Uganda, and Burundi.

The senior military officers who are graduated from the college hail from the neighboring countries noted that Africa should be at peace; and for this, generating well-educated and trained manpower in the field is critical. The educational opportunity facilitated by Ethiopia will strengthen the diplomatic and military relations of each country.

Foreseeably, a certain country's peace, security, and development could be strengthened when and if the peace and security of its neighboring countries are ensured and strengthened. If not, all the efforts will end up in vain. In this respect, Ethiopia's move to work in collaboration with neighboring countries is critical to arrest regional and continental security threats; and eventually ensure peace across the globe.

Consider 'Planting tomorrow today' deeper

BY HENOK TIBEBU

Prime Minister Abiy Ahmed's idea of 'planting tomorrow today' may seem a shallow concept to those who are sceptical about the past six years journey of reform Ethiopia went through. But whether they like it or not building a new generation is on progress. And the idea of "planting tomorrow today" is deeper than the root of the Australian tree itself!

If one looks back to the socioeconomic and political history of this Country, Ethiopia, he/she will find out that there had never been an experience, which would reflect an attempt of planting the future from present grounds.

Every socioeconomic and political move, which past governments of the Country made, had always been a zero-sum calculation, their win always being the public's loss. About three regimes had come and gone in the past eight decades; the feudal, the socialist, and the revolutionary democrat; they all started with zero sum reforms and different ideologies, which killed social justice and nurtured ethnic foulness.

Emperor Haileselassie-I is known to have reformed the Country's political landscape from unwritten to a written constitution. Yet the motive was largely to gain acceptance in his bid the membership of the League of Nations that the constitution was never practical. So the country was considered the private property the feudalists who rather failed to plant the nation's future.

Even though the Emperor tried to improve the constitution and concluded that citizens were well served, the outbreak of the peasants' and lately students' movements were the major indicators that the emperor's win was the public's loss.

The result was a military-coup and the birth of a socialist regime called the *Derg*, which ended up being a dictatorship. The *Derg* tried to implement socialism, but it also led the Country into the seventeen years of civil war, as secessionist forces emerged, strengthened themselves and divided the Country.

Of course, one of the secessionist groups, would have felt the comfort of Arat Kilo palace and cancelled the idea of liberating its land of origin and maintained its Ethiopian identity, though remained a liberation front even during its almost three decades being a dominant power on the nation's political journey under the Ethiopian People's Revolutionary Democratic Front (EPRDF) regime.

This regime claimed that it took over a country with empty vault, so its win would be bringing a poor country to a certain economic development but also making

it the land of ethnic bullies. EPRDF didn't plant tomorrow. It rather brought up yesterday's political mistakes to life and killed tomorrow by implementing its divisive ethnic federalism. It tricked the youth with some ideas of maintaining ethnic equity on the surface but with a hidden strategy of dangerous divide and rule.

The almost three decades time of EPRDF, ended with ethnic turmoil, good governance problems, which were fuelled by extreme corruption and led to bloody protests. That brought the shameful end of EPRDF's regime and tomorrow was never planted.

When Prime Minister Ahmed (PhD) came to the leadership, the Country was filled with relief because the premier's idea of synergy was welcomed by the mass public. Of course in the times of many ethnic bullies have the dominant position on social platforms and left the public in a tiresome confusion, there is no doubt a unifying energy, synergy, was a relief. It was the first step of 'planting tomorrow today'. It started by selling binding ideas to the public not by emptying up the nation's vault.

However, several polarized entities, with several poisoned ideas of different socioeconomic and political matters, including those who blindly hated the idea of synergy led the Country in to sequences of conflicts and chaos. Meanwhile, developmental and economic reforms were still intact. Even though some may link the so called 'let's plant tomorrow today' idea or initiative with the green legacy or planting trees only. But the idea is beyond that for those who understand it open heartedly.

Some may also attach 'Let's plant tomorrow today', with building corridors and renovating buildings. But to my understanding, it is way deeper than that.

'Let's plant tomorrow today' is all about building a new generation. When building a new generation, a mastermind behind the initiatives has to prove so many things can be accomplished in short periods of time and nothing is impossible. The consequences of those who thought a generation about impossibilities and divisive ethnic equities most of their official days could still affect the progress of the premier's reforms in many aspects. However, building the *Abrehot* Library, the National Science Museum, the Adwa Victory Memorial, Unity, Friendship and Entotto parks in Addis Ababa, planting millions of tree seedlings in six years etc, is not a zero sum calculation.

Deriving inspirations from the powerful motto "Nothing is impossible!" to all practical moves will definitely build a new generation. Cultivating children and youth is the right act of planting tomorrow today.

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The Ethiopian Herald

Business & Economy

Essence of macro-economic reform in relieving foreign currency exchange distortions, investment attraction

BY BACHA ZEWDIE

The government of Ethiopia recently made a landslide policy reform in its macro economy which focuses on foreign currency administration, according to the policy statement. The policy reform is amid the reforms the government has made since its assumption of power six years ago which is within the framework of the Home-Grown Economic Reform Program but it is the major one in touching various sectors of the nation's economy.

The economic reforms implemented over the past six years have aimed to address longstanding main inherited economic structural problems include debt burden, inflation, unemployment, slow economic structural change, low sector productivity and competitiveness, poor performance of development projects, and resource management.

Following the government's decision regarding the overall macroeconomic reform program, the National Bank of Ethiopia has announced that it has revised the country's foreign exchange rate. What will be the benefit of this reform, which has been implemented since last Monday, in terms of ensuring comprehensive economic development and benefiting different sections of the society?

According to the document of the National Bank of Ethiopia, although the foreign exchange system that existed until now was aimed at ensuring a stable foreign exchange rate and low inflation, it has gradually become one of the main reasons for the expansion of the black market, high inflation, extensive smuggling of precious metals, and foreign currency being out of the banking system and fleeing the country.

All of this has led to a chronic shortage of foreign exchange, allowing a few illegal entities and brokers to benefit instead of productive sectors. As a result, many businesses and investors have been victimized. It has eroded the effectiveness of the policies and efforts put in place to expand export trade and factory products, attract foreign investment and increase the country's foreign exchange reserves. In this sense, the reform of the foreign exchange management system is not easy but necessary.

In the explanation given by the Governor of the National Bank of Ethiopia, Mamo Mihretu; it is a historic change in the foreign exchange management system that has been implemented since last Monday. He also mentioned that this will move Ethiopia to a competitive foreign exchange system based on the market and will improve the macroeconomic instability and distortions that have been prevalent in the economy for a long time.

According to Mamo's explanation, the amendment will be implemented in accordance with the new foreign exchange



guidelines. This directive amends several existing foreign exchange management directives. It has brought together various foreign exchange management guidelines that were scattered.

He further explained the main changes and contents of the new foreign exchange management system reform. The reform will shift to a market system where the foreign exchange management system is determined by the interactions between banks and their customers. In this, the role of the National Bank of Ethiopia will be focused on ensuring a stable and healthy foreign exchange trading system.

In the past, especially in the last 30 years, the scattered and inconsistent foreign exchange management, rules and regulations have been revised, refined, adapted and crosschecked to be included under one set of guidelines. The new uniform guide is easily accessible to everyone. From now on, there will be no obligation to transfer foreign currency to the National Bank of Ethiopia.

Accordingly, exporters and commercial banks can keep the foreign currency they earn for themselves. This is believed to significantly improve the supply of foreign exchange to the private sector. Exporters keep 40% to 50% of their foreign exchange earnings, and in the process, they will keep their foreign exchange market completely for themselves.

The document also stated that the foreign exchange reform will have a great contribution in attracting foreign investors, increasing foreign direct investment, and making the trade system compatible with neighboring and peer countries.

Currently, Ethiopia is one of the largest African economies and many developing countries with a foreign exchange control system and a foreign exchange fence. "Although Ethiopia is a favorable and interesting country for investment in many ways due to its population, skilled workforce, reasonable and competitive resources (manpower, land), strengthened

air transport and improved logistics, energy supply, natural resources and minerals, all these opportunities are ineffective due to the difficult and strict foreign exchange management system. It did not go as expected. Therefore, the establishment of a better foreign exchange management system will help to remove the old practices that have been a barrier to foreign investors and promote foreign direct investment," the information of the National Bank of Ethiopia explains.

On the other hand, it is mentioned that the reform of foreign exchange will help to avoid many business practices that have been encouraging informality and illegality in the economy. The current foreign exchange management framework does not encourage foreign exchange to come in through banks and causes foreign exchange earning companies or individuals to flee abroad. It pointed out that most of the business community and remittance customers are buying and selling in the black market due to the spread of the informal market in foreign exchange. It is stated that the new foreign exchange management reform will take this market situation into consideration and will encourage entry into a competitive, transparent and convenient modern trading system by avoiding such informal practices.

In general, it has been shown that the foreign exchange reform will help to overcome the shortage of foreign exchange, enhance the competitiveness of exports, attract foreign direct investment and strengthen many other reform measures to support the private sector.

It has been stated that extensive and adequate preparations have been made for the success of the policy. In order to ease the pressure on the people, especially those with low incomes, the government has decided to temporarily subsidize the price of some basic goods imported from abroad. Financial assistance will be provided to those whose real income has eroded due to high inflation in recent years; it has also been stated that foreign debt relief assistance is

available to support the government's social spending and to ensure that the large amount of money spent on foreign debt payments is clearly offset by other expenses.

Public policy and economics expert, Kostantinos Berhetesfa (PhD) said; "It is an issue that we have been talking about 27 years ago so that the amendment should be done. This policy is the following for developed countries and African countries such as Kenya, Tanzania, and Uganda that are close to Ethiopia." He mentioned that this policy reform will create a big step forward for the country's economy.

As explained by Kostantinos (PhD); when a person starts trading, many investors can come into the country because of his relationship with the capital market and foreign banks. This will increase the investment potential of the country.

Noting that the amendment is of great importance in preventing the black market; in connection with this, he pointed out that the government should stop the smuggling activity, especially money and gold that are taken out of the country illegally. Apart from that, he advised that it should focus on peace and stability so that investors can enter widely. If this is the case, he indicated that the reform will be of great benefit to Ethiopia's economy.

The economist stated that the amendment is significant in terms of ensuring comprehensive economic development and benefiting different sections of the society. It can promote the economy in a way that the people of Ethiopia can use it.

Ethiopia has not had such a uniform financial policy yet, and the National Bank has been serving as a treasury. There were only a few who were benefiting from the existing policies. "Currently, the foreign currency transaction will stabilize. In the future, the capital market will be widely mobilized. Foreign banks also enter," he noted.

"When the government is able to control illegal trade, exports will grow. The cost-income trade balance will be proportional. As exports grow, the population will be able to engage in higher-level employment and earn a better income. This will increase the country's economy," he explained.

According to National Bank forecasts, as a result of the reforms, Ethiopia's economy will grow by an average of 8% in the next four years. Inflation will be close to 10%; tax revenue will reach 11% of GDP, government debt will decrease to 35% of GDP; the value of export and import trade will increase to 20 billion Dollars; foreign direct investment will increase to 8 billion Dollars; global reserves will exceed 10 billion Dollars (enough to cover 3.3 months of commodity prices). These projections are indicative of the level of economic transition that may occur as a result of the above-mentioned reforms in the coming years.

Art & Culture

Projecting the art and culture of Africa for improved continental image

BY MEKDES TAYE (PhD)

Various sources and scholars in the field have attempted to define the notion of culture from different disciplines. These sources commonly stated that culture signifies the given peoples' way of life. This is a very general understanding. Many explanations and terminologies can be posited from it. The way of living incorporated the broader concepts of the political, social, religious, aesthetics, morals, feelings, attitudes, and philosophies of a given group of people. How these issues are demonstrated in a given group is called the culture of that group. The basis for segmenting cultures across groups is the prevalence of varied understanding and demonstration styles of knowledge within groups. People who are gathered in a given space have their way of knowing and portraying acquaintance, and others in another space had also their reaction to facts. Thus, we need to examine these groups as cultures 'A' and 'B'. In Africa where various and numerous groups of people are located, there are lots of diversified and colorful cultures.

Since the continent is the source of ancient humankind, the experiences, human and natural interactions, philosophies, spiritual connections, dances, and every humanistic activity had been practiced in the continent before any nation in the world. Thus, I can say that the African way of life or culture is the source of that of other peoples of the world.

Though the people are equally African, the countries and the groups in each country had their cultural exhibition which makes them unique among each other. These varied cultures had a valuable impact on certain spheres like politics, economy, religion, and social relations. The peoples' cultural background had a greater impact on the tendency of their readiness to create sustainable political and economic systems. Beyond that, the process of technological dissemination is highly influenced by the cultural history of the people.

The indigenous African cultures have been escaped and exploited mainly during colonization and currently by neocolonialism. Since the appropriate recognition hasn't been given to the sector, the continent has never got any benefit from it. The spiritual and material assets of the people have been exhaustively taken by outsiders. Their economic and technological advancement did equip them to affect the originality of our culture is the justification of experts in the field.

But these days, cultural arts and heritages are becoming the central issues of the people of Africa. People are claiming their indigenous cultural practices. DC Patrick Kabanda, the author of the book called *The Creative Wealth of the Nation* said that "culture is one of our greatest assets we have in Africa. But unfortunately, it is often neglected in our development of social agenda. It is high time.

We check this seriously and partly."

In the 34th African Union Summit the issue of building Africa's art, culture, and heritage was the major theme to be achieved in agenda 2063.

Since Africa is the source of lots of admiring and impressing cultural values, the people's lower consciousness, the government's little attention and the absence of manifestation spaces are very basic challenges that hinder the continent from gaining equivalent rewards and benefits. These facts were the roots of the summit that inspired the members to focus on it.

CGTN in its program called 'Talk Africa' was approaching three individuals including the above-mentioned one who had a connection with culture and art to get their reflection on the theme of the summit.

The journalist had raised the question of the possibility of changing the image of Africa using its culture. This inquiry was taken up by Okana Ansali, an independent art manager in Cape Town. Here is her reflection. "It is not so much about changing African's image. It is about providing platforms for what already exists. To be a showcase and amplified right, because if you see even in the highest popular kind of cultural products, that I have emerged recently, it was very clear that the world does refer to Africa and look at Africa for inspiration."

As the expert underlined based on what she experienced, the greatest blocking factor of African culture is the absence of appropriate space for dramatizing African culture in the face of the world. In the process of showing African culture, the activity by itself can strengthen our relations with countries across the globe. And this can help the continent to use it as a way of peaceful relations with outsiders. The woman mentioned this, "If we understand the soft power of cultural diplomacy, we begin to understand why it is in African's best interest to invest in making sure that what we have to offer is given platform. We are more international and deliberate about what it is that we put out there about ourselves. We can control the narrative that goes out there and the kind of leverage that we already have. So this drive is not a kind of present a picture of something that doesn't exist. It is there. It is just that it was too largely external that people were speaking about Africa from their narrow perspectives. But now what we are calling for is for Africans to drive the counter-narrative to the already existing problematic pragmatic narratives that are out there about the continent."

As the director said, African people should be confident enough and responsible for speaking out about their cultural practices in a given space. We should never let others speak about us. We need to know and identify ourselves to the world and that way the image of the continent could be improved.

The journalist directs her question to DC Patrick Kabanda to have a say on the

interaction of Africa's culture with others. Here is his argument, "we Africans mustn't be afraid for our cultures to interact and intersect with other cultures. I don't think Africans should fear that if we are exposed to other cultures. Our own cultures are going to disappear and be subsumed by perhaps other more commercially marketed cultures."

He referred to his own country's history in this context. "In my country, the art forms that have gone through wars and isolations are still survived and are resilient. They have interfaced with so many other foreign cultures but what I am seeing now is a lot of young Zimbabweans for example starting in music singing a song in local languages. They are going back to reclaim some of their terms from their clans."

Farah is the third person to add that African cultures are always adaptive. African culture is not what it was 500 years ago. African cultures are very capable of incorporating technology into their cultures. They are very capable of borrowing some interesting and exciting kinds from other cultures and getting rid of things that do not work for them."

The world is characterized by quite different and unique cultures and styles. Though the culture of those who dominated the economy and technological advancement of the globe seems influencing indigenous cultures of the continent, the people are contextualizing and preserving their identity markings progressively. Farah Funya has a point in here. "Africans are globally connected, globally sensitive, and globally aware. But they realize that there is something of essence in them that is African. Something that has to do with this soulfulness within African spirit...I sense a kind of humanity and what is that sense of humanity that all these people feel is not just the sun and the warmth. It is the cultural right. So, globalization is going to manifest itself better if it actually allows us to see the broader diversity of the world cultures."

Farah also recommended that in the way of creating a good picture of Africa media can play a greater role exceedingly. "The dominant global media have often given us limited spaces for participation and limited spaces to appreciate what is out there. ... Africans need to do more to populate some of these spaces."

The summit that considered the potential of African culture that aimed at lifting the sector and starting to generate income was alerting the section so much and brought hope for the people. Farah needs the assembly to consider the impact of global media on awakening the issue in the world. Next to that he wanted the



summit "They must allow greater mobility within African countries and across African regions and the continent."

As the origin of humankind, Ethiopia has super unique and marvelous cultures, artifacts, and heritages that can be incurred proudly by Africans and people around the globe. But these assets are not yet even touched as expected. The problem of the appropriate platform is also the threat of the section in the country.

Though there are some progressive alerts, there is a long way to go. The meaning of culture needs to be understood as it deserves. That way policies and implementations could follow in addressing the sector. Farah had a say on this, "The summit has to rethink what culture is. There has to be a rethinking of what creative industries are and how they can contribute to the creative economies of Africa. Creative industries ...the institutions should allow African culture to domesticate the charter for African cultural resistance. It is all there in that charter and the agenda 2063 should articulate all these things."

The conclusion is demonstrating space or platforms for Africans to exhibit their culture is the primary assignment of the summit, OAU, and the governments of each country of Africa. Secondly, policies and strategies need to be revised and implemented in a way that considers the cultural sector. Thirdly creative industries need to be appreciated and supported at a country and continental level. These cumulative efforts can play a greater role in protecting the cultural arts and heritages which can positively impact the image of the continent.

Global Affairs

UN: Extreme heat a global issue with an unequal impact

“The world must rise to the challenge of rising temperatures,” says the UN Secretary-General as he launches a call to action on extreme heat and its impact on society and the environment.

On Thursday, Secretary-General António Guterres announced the launch of a joint report drawing from the expertise of ten UN organizations, including UNICEF, ILO, OCHA and WHO. The Call for Action on Extreme Heat explores the multidimensional impact of extreme heat on lives and livelihoods, which is only further evidence of the climate crisis.

The UN’s call for action targets four key areas in the efforts to combat extreme heat: providing care to those most vulnerable, protecting workers, boosting the resilience of economies and societies through data and science, investing in renewable energy and phasing out fossil fuels, thereby limiting the temperature rise to 1.5 degrees Celsius under the Paris Agreement.

June 2024 was the 13th consecutive hottest month on record. Experts have warned that the consecutive record-setting global temperatures are indicative that average temperatures will only rise in the coming years, and some areas will even become uninhabitable as people will be physically unable to withstand the heat. In the report, the Intergovernmental Panel on Climate Change (IPCC) predicts that Central and South America, southern Europe, Southern and Southeast Asia, and Africa will be the most affected by heat-related mortality by 2100.

“Billions of people are facing an extreme heat epidemic, wilting under increasingly deadly heat waves, with temperatures topping 50 degrees Celsius around the world. That’s 122 degrees Fahrenheit. And halfway to boiling,” Guterres said. He emphasized this point by referencing recent global incidents, such as a heat wave in Sahel this April and the deaths of more than 1300 pilgrims in Saudi Arabia during this year’s Hajj.

So far, the impact of extreme heat has been felt across livelihoods and the environment. However, it does not affect everyone equally. Multiple factors, such as gender, age, and pre-existing medical conditions, can determine the impact. For this reason, those most vulnerable to the impact of extreme temperatures include older people, people living with disabilities, pregnant women and children.

The quality of housing is also a factor,



Secretary-General António Guterres briefs reporters on extreme heat

Extreme heat is felt across multiple additional sectors. The use of air conditioners and other cooling systems accounts for 20 percent of global electricity consumption, in a time where more than half of the electricity is still generated through burning fossil fuels

and as such, the report further identifies people living in poverty as most at-risk, or rather, people who live in poor housing that lacks access to cooling or proper ventilation. Furthermore, urban areas are much warmer compared to rural areas. Cities are bearing the brunt due to their built environment, congestion, concentrated energy use and heat absorption from concrete and other building materials. This is known as the urban heat island effect.

The working population is also disproportionately exposed to excessive heat. A new ILO report notes that at least 70 percent of the global working population, or 2.41 billion workers, are at risk of exposure to high temperatures, which have resulted in 22.85 million injuries,

and at least 18,970 deaths annually. Workers in Africa, the Arab states, and Asia and the Asia-Pacific are among the most affected by 93 percent, 84 percent, and 75 percent, respectively. Rising temperatures have also affected productivity, which drops by 50 percent. The report recommends that measures be put into place to protect the health of all workers through a rights-based approach, along with reporting and surveillance mechanisms for incidents brought on by heat stress.

Heat stress was identified as the leading cause of weather-related deaths. While high exposures to heat can cause heat strokes, a fatal medical emergency, continued exposure can increase the likelihood and risk of

other medical conditions, such as kidney issues, cardiovascular health, diabetes, mental health, and the transmission of infectious diseases. Health issues brought on by exposure to extreme heat can put more stress on healthcare services, yet the most exposed regions do not have adequate resources to address them in their health facilities.

Extreme heat is felt across multiple additional sectors. The use of air conditioners and other cooling systems accounts for 20 percent of global electricity consumption, in a time where more than half of the electricity is still generated through burning fossil fuels. In the food and agricultural sectors, crop yields fell by 45 percent in 2022 because of extreme temperatures and phenomena such as droughts and wildfires.

“Extreme heat amplifies inequality, inflames food insecurity, and pushes people further into poverty,” said Guterres.

Guterres called on the international community, the public and private sectors, and governments to make concentrated efforts to address the issue. Guterres also repeated his demand for the phasing out of fossil fuels as an energy source, singling out G20 countries for their renewed agreements for oil and gas licenses.

“The problem is that climate change is running faster than all the measures that are now being put in place to fight it. And that is why it is important to understand that we need a huge acceleration of all the dimensions of climate action,” Guterres said.

The report notes that there are ways to reduce the fallout of extreme heat risks. Investing in reasonable occupational and safety hazards could save up to USD 361 billion. Concentrated actions to reduce energy demand in the cooling sector globally could save up to USD 1 trillion and the power sector up to USD 5 trillion by 2050.

In recent years, climate change has brought about abnormal temperatures and weather phenomena that even developed countries have struggled to deal with without a serious fallout on their populations. With heat waves not even sparing the West, Guterres hopes that this will perhaps spur them into urgent, immediate action.

“Now the heat is being felt by those who have decision-making capacity.”

SOURCE: INTER PRESS SERVICE

Law & Politics

Ascending to the zenith of success amidst hoax stories

BY DANIEL ALEMAYEHU

When the name Ethiopia pops up, one of the icons that perfectly suits it could be the flag carrier, the Ethiopian Airlines. In fact without exaggeration, the flag-bearer airline is synonymous with the country if not a movable heritage.

The national airliner has been one of the most influential flight service providers not only in Ethiopia but also in the whole world at large. Maintaining an upward trajectory for strings of years, the Airlines is now ascending to the zenith of greatness.

Stretching its wings to the globe, Ethiopian earned its reputation in terms of safe flights and impeccable cabin services to passengers. To this very day it remains to be one the leading companies in the continent.

In sharp contradiction to the weaves of defamatory and false accusations, the airline is known for its topnotch services that earned it accolades. As the airline continues to climb the ladder of success, so are the hoax stories against it.

The recent unfounded allegations include an incident in which foreign journalist reported that a Somali passenger was mistreated and displaced to accommodate an Ethiopian Minister. Such an act of allegation has no ground when the people hear what exactly happened from the horse's mouth.

"The news that was circulating does not reflect the reality of the event as we strongly refute this allegation," said Mesfin Tassew, GCEO of the Group, while presenting the last fiscal year's annual report of the group and responding to the queries raised by journalists. Mesfin said the CNN journalist posted the video on social media without recognizing the background facts. "We tried to contact the journalist, but he does not seem willing to listen. We have the evidence and we could post it but we did not," Mesfin added.

Besides, the Ethiopian has also been accused of transporting soldiers against international standards. The GCEO has also given response for such accusations saying that the airline has a system where soldiers are transported using the aircrafts of the company. To this end, he said that the airline is functioning in accordance with international practices; mentioning the system where the airline has dedicated two of its aircrafts, one of them is designed for this purpose only, to transport UN troops only.

"We have transported peacekeeping soldiers from country to country. We have transported African peacekeeping soldiers. We just transport and that does not mean that Ethiopian Airlines participated in the war. When we provide such a service, we charge money."

Mesfin also noted that there are international requirements that must be



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THE NEW SPIRIT OF AFRICA

The Airlines is practicing economic and political integration by its expansion across the continent which grows every year while aspiring to most ambitious goals

met whenever troops travel by airplanes, and the Ethiopian Airlines always do that. The mission of the transported troops is not the concern of the airlines.

Sharing the experiences related to soldiers' transportation, Mesfin highlighted that the group was told that it would not get the finance and the agreement to bring planes as it was accused of transporting soldiers and other illegal missions, adding "We explained our procedure. After confirming that our procedure is in line with the international procedure, they made us

bring our planes. Ethiopian Airlines is a commercial institution and operates as a commercial institution."

On top of that, the Group CEO also responded to the allegation of transporting living animals. He elucidated that the airlines has been providing the service by maintaining the standards and international procedures.

"We transport chickens. There was a time when we were transporting sheep. We transport goats. Once upon a time, not even now, cows and bulls had to be transported alive. Now they say that you have been transporting apes." As long as it comes from a licensed company from any country, as to Mesfin, we follow that international law and provide the service.

"The question raised by those who claim to be concerned about animals is that the apes are transported and used for laboratory purposes. But this is not the responsibility of Ethiopian Airlines."

During the press briefing, Mesfin stated that the Ethiopian Airlines Group has generated 7.02 billion USD in the 2023/2024 fiscal year, marking a 14% increase from the previous year. He added that five billion USD came from passenger services and 1.65 billion USD from cargo fleets. The airline transported approximately 17.1 million passengers, with 13.4 million international and 3.7 million domestic passengers, showing a 23% increase in flight performance compared to last year.

By the same token, some prominent analysts refused to accept such allegations and defamations practices against the Ethiopian Airlines. Having a stay with *The Ethiopian Herald*, Lawrence Freeman, Political-Economic Analyst, denies the allegation on the Ethiopian saying defamation campaigns against Ethiopian Airlines Group are purely political and could not benefit the accusers themselves.

He said that the ongoing defamation campaigns against the Ethiopian Airlines Group are not tested out with the interest of the region. The recent smear campaigns

against the Ethiopian Airlines by a few individuals from some parts of the region and beyond are purely political, not economically helping even the fault finders themselves.

"It would make no sense. There has been a consistent effort which I have been fighting against for many years." Certain political forces, ruled by "international order," are perpetrating to destabilize Ethiopia and the whole Horn of Africa region, he stated.

The Airlines, supported by the government, is a business group. Therefore, one of the reputations is the service it provides to passengers. "I think they (Ethiopian Airlines) are voted number one in Africa," he highlighted. The Airlines is practicing economic and political integration by its expansion across the continent which grows every year while aspiring to most ambitious goals.

Speaking about his experiences regarding his time using the airlines, Freeman stated that he has been traveling with Ethiopian Airlines for many years now. Ethiopian is a huge benefit, in many ways, to Ethiopia and the Ethiopian economy, and it is flying throughout the continent, he noted.

The Ethiopian has been recognized as the number one airliner in Africa for seven consecutive years. "I think there is much more potential that can be realized in Africa," he emphasized.

"I got an extensive tour of Ethiopian Airlines a couple of years ago during one of my trips to Addis Ababa. And what is interesting to me is when they took us into the area where they repair engines and planes."

For Freeman, this is a huge machine tool capability. "I think this gives Ethiopia a leg-up in manufacturing capability because it really has a significant amount of machine tool potential that comes out of this gigantic airline capability," the analyst said, while suggesting that the use of the manufacturing capacity would be the next breakthrough for Ethiopia and Ethiopian Airlines.

Planet Earth

How watershed management helps address underlying factors for landslides

BY EPHREM ANDARGACHEW

Ethiopia has a diverse range of natural terrain. This terrain is characterized by hilly areas and steep slopes that are extremely prone to landslides for a variety of causes. Increasing unpredictability in rainfall is one of the noteworthy aspects. Ethiopia is experiencing increasingly severe rainfall patterns as a result of climate change. A lot of rain can saturate the soil, which increases the risk of landslides, particularly in steep and mountainous places.

According to various studies, landslides can occur due to a variety of reasons, including droughts and soil deterioration. Even, dry periods can be a cause of landslides. Prolonged droughts can cause soil to dry up, resulting in cracking and diminished particle cohesiveness. When strong rains follow a drought, the unexpected rush of water can cause landslides. Furthermore, deforestation and unsustainable farming practices worsen soil degradation by decreasing the land's ability to absorb water and increasing runoff.

The risk of landslides is increased by human activities such as rapid urbanization, especially in hilly areas, because these activities cause slopes to become unstable. Landslides are also caused by agricultural growth because farmers frequently clear land for farming on steep slopes without taking the necessary precautions to conserve the soil, which makes the area more susceptible to landslides.

Climate change, along with other variables, offers considerable concerns for Ethiopia, notably in terms of landslides. Landslides may destroy houses, infrastructure, and agricultural land, causing relocation and loss of livelihoods. It also affects agricultural activity, resulting in food insecurity in a nation where agriculture is the major source of subsistence. The Gofa landslide serves as an excellent illustration. A landslide occurred in the hilly terrain of Geza Gofa Woreda, Gofa Zone, South Ethiopia Region, due to heavy rainfall on July 21 and 22, 2024.

According to the World Health Organization (WHO) July 26, 2024 No 1 Situation Report titled "Ethiopia: Landslide in Gofa Zone, South Ethiopia Region," stated that Southern Ethiopia is a flood-prone region that has previously seen several emergencies including malaria, measles, and cholera. The warm atmosphere caused by climate change has resulted in heavy rains, increasing the likelihood of such catastrophes. These problems emphasize the urgency of the issue. Even as of July 25, at least 257 people had been killed, and more than 15,000 had been affected.

The Chief Administrator of the Southern Ethiopia Region Tilahun Kebede said that the area has been devastated by landslides, mainly due to climate change and human activity. Landslides occurred in Gofa,



Gozdi Kebele, Southern Ethiopia area, killing over 226 persons, and over 6,000 vulnerable residents have been designated for relocation. The accident resulted in a tragic circumstance for the children who lost their families. Works are being carried out to give short-term assistance as well as lasting rehabilitation.

Here, the most significant concerns are how a landslide danger occurs and what steps should be taken to lessen the risk. According to Addis Ababa University Soil Science Professor Mohamed Hasan, the recent landslide in the Gofa zone, Geze Gofa Woreda, is one of the calamities that resulted in widespread loss of life in Ethiopia.

"As far as I know, this is not the first time such an accident has occurred in the Gofa zone. Although the latest one did significant damage, the threat was previously present. There is still concern that several regions in the Gofa zone surrounding Abaya Lake may experience recurrent soil erosion. High rainfall is one factor contributing to the problem's worsening, but as the soil's capacity to connect itself to one another diminishes and becomes more porous and loose, landslides are more likely to occur."

"If soil and water basin protection were effectively developed, the problem may be reduced not only in the Gofa zone but across the country. Therefore, the government should enhance watershed management efforts to lower the risk of landslides."

He also pointed out that "in science, soil and other portions of the planet are inextricably linked. A soil particle can also attach to another substance, as well as to the surface or subsoil. However, rain causes the connected soil to loosen and soften. As a result, the glue holding them

together melts. That's when slippage occurs".

"When the amount of rain and moisture in the soil is high, especially in sloping areas, in hilly areas, when the loose soil goes down due to gravity, landslides occur. A similar problem occurred in the Gofa zone. That's why it came down and hurt a lot of people," he explained.

Planting trees can help to restore balance to nature. The earth binds as plants grow. The portion of the plant that stays in the soil is balanced by the quantity of water in the area where the plants are located, so it may not cause landslides or other issues until it is touched by humans for different reasons.

So, watershed management tasks are critical for reversing the source of landslides. Entoto might serve as an excellent example in this regard. However, the area is sloppy and prone to soil erosion, yet there are so many trees that it has a high potential to collapse. Therefore, this environmental protection work should also be implemented in various sloping areas and the soil and water conservation work should be monitored to prevent illegal land use for agriculture, he said.

Additionally, he recommended that since steep slopes are available in Ethiopia, it is essential to strengthen efforts to conserve water and soil by planting and caring for trees. This way, the soil's binding capacity will increase and reduce the likelihood of landslides.

Addis Ababa University Geo Physics, Space Science Astronomy Institute Head Professor Atalay Ayele said that landslides of the recent Gofa type, which occur frequently in the winter season in southern Ethiopia, are related to the lack

of soil and water conservation work.

Besides, landslides occur when non-cultivable mountain areas are utilized for agricultural purposes, forests are depleted, and groundwater aquifers are drained. When soil and water conservation work is not done properly, the likelihood of water seeping into the earth after rains reduces, causing underground natural water barrels to become empty. Therefore, it is necessary to carry out intensive soil and water protection work in the threatened areas to control the landslide hazards that may occur in different parts of the country.

He emphasized that watershed management works are the solution to the issues caused by humans' unfair effects on the environment, particularly land degradation due to deforestation. To prevent similar disasters, strong soil protection work should be carried out via watershed management activities.

Indeed, it's worth noting that the Gofa landslide, which claimed several lives, was a highly challenging and tragic event. Ethiopia has serious issues as a result of the interaction between climate change and landslide occurrences, which need coordinated methods for risk reduction and adaptation. Mitigating the effects of landslides caused by climate change nationwide requires addressing the root causes of vulnerability, such as deforestation and unsustainable land use, as well as building community resilience through education. In particular, strengthening watershed management development is critical for sustaining water supply, and protecting ecosystems. By combining scientific research with community participation and sustainable practices, stakeholders may collaborate to conserve landslides for current and future generations.