



The Ethiopian Herald

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Premier unveils 5 pillars for Ethiopia's economic prosperity

BY MENEGESHA AMARE

ADDIS ABABA -The Ethiopian government is striving to ensure forward-looking development nationwide and effectively bridge the gap between regular and parallel economic transactions, Prime Minister Abiy Ahmed (PhD) said.

During a Council of Ministers meeting yesterday, Premier Abiy detailed the macro-economic reforms recently undertaken. He emphasized that unity; inclusiveness, innovation, transformation, and a unified approach are the five invaluable pillars of the reform to ensure Ethiopia's prosperity.

Addressing economic openness, the Prime Minister highlighted Ethiopia's long-standing relationship with the IMF, which began in 1948. He dispelled the notion that the current economic reforms are a recent

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MoFA

warns of rising illegal human trafficking risks to Thailand, Myanmar

BY YESUF ENDRIS

ADDIS ABABA – The Ministry of Foreign Affairs (MoFA) has warned citizens about the increasing risk of illegal human trafficking to Thailand and Myanmar, mentioning that traffickers are using this route to trap migrants seeking foreign jobs.

During a press briefing yesterday, MoFA Spokesperson Nebiyu Tedla (Ambassador) stated that the government is working to repatriate Ethiopian migrants who have been deceived by traffickers. While the number of reported cases is currently manageable, the government has credible information about the

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Thomas Perriello

U.S. hails Ethiopia, neighbors for hosting Sudanese refugees

• Backs strategy to end conflict

BY DANIEL ALEMAYEHU

ADDIS ABABA – U.S. hailed Ethiopia for hosting Sudanese refugees while signaling the need for comprehensive intervention to

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Behind AU's adoption of coffee as 'Strategic Commodity'

BY BETELHEM BEDLU

The G25 African coffee producing countries summit held on 08 August 2023 in Kampala convened to expand regional coffee trade within AU/AfCFTA framework, declaring coffee as strategic commodity in harmony with AU Agenda.

Then, the 37th Ordinary Session of the Assembly of Heads of State and Government of the AU held in last February, the Kampala Declaration was unanimously adopted to include coffee as a strategic commodity in the AU Agenda 2063 and the inclusion of the Inter-African Coffee Organization (IACO) as a specialized agency of the African Union (AU).

Despite the continent is the birth place of both coffee Arabica (Ethiopian) and Robusta (Ugandan), the sector still face with low productivity, inequality in the value chain,



and minimal economic benefits from low domestic consumption.

Recently, the Inter-African Coffee Organization (IACO) announced the

outcome of the 37th ordinary session and its benefits portraying about the notable significance of the inclusion of coffee as strategic commodity and IACO as

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Together, we can end human trafficking!

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News



USD appreciation spurs Ethiopia's smokeless industry

BY MESERET BEHAILU

ADDIS ABABA – The recent appreciation of the USD exchange rate has significantly increased tourist influx and revived the smokeless industry, disclosed the Ethiopia Tourism and Hotel Market Association.

The Association President, Getahun Alemu, told *The Ethiopian Herald* that the stronger USD will contribute to the revival of tourism by making travel more affordable for international visitors. This is expected to attract more foreigners and increase the country's revenue.

According to Getahun, the lifting of USD amount restrictions has made Ethiopia more attractive to foreign tourists while helping to reduce the country's hard currency challenges. Additionally, the government's attention to the development of tourist destinations has played a pivotal role in attracting both foreign and domestic tourists. The reformist government's efforts to create an enabled environment and improve tourism policy have been crucial in stimulating the sector.

"Though Ethiopia is a place of cultural and natural heritage and can be a tourist destination, the country has not obtained adequate benefit from the sector due to various reasons," he noted.

He identified lack of sufficient infrastructure, promotion, and marketing, as well as conflicts in certain parts, as serious problems hindering the sector's potential.

"Yes, the expansion of destinations and the improved exchange rate of the USD help tourists to extend their leisure and stay period in Ethiopia. Therefore, the country needs to work on sustainable tourism development by establishing infrastructure, tourism administration, promotion, market, and sharing experience."

Getahun further stated that identifying and addressing issues related to tourism, environmental degradation, or cultural erosion will be critical to the long-term success of the tourism industry.

Moreover, as the number of destinations worldwide increases, collaboration between stakeholders, sustainable tourism development, community engagement, and responsible travel practices will be critical to the industry's future. Balancing tourism development with the preservation of natural and cultural heritages will play a pivotal role in ensuring long-term success and realizing residents' profitability from the tourism sector, the association president advised.

Ethiopian celebrated for top staff service in Africa

BY BETELHEM BEDLU

ADDIS ABABA –Ethiopian Airlines has been recognized as one of the Top 10 Airlines in Africa for best staff service in 2024.

Business Insider Africa announced the rankings yesterday, highlighting Ethiopian Airlines, Africa's largest airline by fleet size and network, as 6th on the list for its exceptional customer service standards.

"Ethiopian Airlines is one of the few airlines operating the Boeing 787 Dreamliner, providing passengers with a comfortable and eco-friendly flying experience. Passengers appreciate the airline's modern fleet, efficient check-in processes, and attentive staff," the report stated.

Customer service is increasingly crucial in the rapidly growing African aviation sector. Kenya Airways topped the list for best staff service in 2024, followed by South African



Airways.

As more people fly, airlines are enhancing their services to ensure customer satisfaction and loyalty. Several African airlines in this area, meeting diverse passenger needs with

top-notch service, according to the report.

The top 10 list includes RwandAir, Airlink, Egypt Air, Ethiopian Airlines, Air Mauritius, RoyalAir Maroc, LIFT, and Fly Safari, ranked from third to tenth, respectively.



Ababu Wako



Zone moiling to boost strategic export commodities

BY ASHENAFI ANIMUT

ADDIS ABABA – As part of green legacy initiative, the local administration of East Shewa Zone of Oromia States intensifying green economy initiatives to make the zone hub of export commodities, administrator said.

Approached by the Ethiopian Press Agency (EPA), Zone's Administrator Ababu Wako stated that its strategic position to surrounding towns coupled with streamlined cluster green economy initiative makes the zone a preferable area for key fruit-related export items.

Since recently, the zone has been embarking on wide-ranges of activities to boost green initiatives and has managed to enhance the coverage from 900 hectare to 1,200 hectares of avocado species called 'Hass' which are preferable to European market standard.

Aligning with the initiative, he said, "over 278 million seedlings embracing banana, avocado, papaya, orange and others for animal fodder are prepared to be planted across the entire woredas of the zone in this

planting season."

Moreover, he stated that the Ethiopian Agricultural Transformation Institute is playing a huge role towards creating decent jobs, providing training, mobilizing resources among many other undertakings. It is backing the zone by providing the necessary inputs, giving training to farmers, facilitating market linkages.

Due to its strategic position to the surrounding towns, the products are easily accessed and transported, he added.

To this end, he noted that about 9,000 quintals of avocado is exported to the European markets and garnering quality product acceptance in the global market during the last fiscal year.

"Ethiopia's avocado production season is suitable for overseas market. Currently, the land coverage is increasing from 900 to 1,200 hectares of land," Ababu said.

Earlier, he said that most of the woreda's in the zone had been under safety net program and wheat was not popular in the area.

Apart from fruit green initiatives, he disclosed that the zone covers nearly 400,000 hectares of wheat in irrigation

scheme and manages to yield 16 million quintals annually.

In addition to changing the farmer's income, the administrator mentioned that the country is generating notable income from carbon trade and export earnings.

Oromia Agricultural Transformation Institute Center Executive Director Dessalegn Duguma for his part highlighted that they are exerting rigorous efforts to the green development strategic plan for sustainable green economic development.

He said the state administration is conducting extensive technical, cluster development activities related with fruit crops which are witnessing significant outcomes to the farmer's livelihoods and export.

So far, over 300 benchmark clusters are carried out on 20 to 50 hectares of land in East Shewa and Jimma zones remarkably, he added.

Agricultural bureaus in the zone are also implementing the initiatives and creating market connections to global markers thereby registering promising outcomes, the director noted.

News

MoFA warns...

dangers posed by these illegal operations.

The Spokesperson explained that migrants are misled into traveling to Thailand, where they are then unlawfully transferred to Myanmar. Ethiopian embassies near these destinations are actively working to repatriate these migrants, with the Ethiopian embassy in Japan also involved in rescue efforts.

The exact number of affected migrants is unclear, but some have been found in harsh conditions after being deceived by traffickers. The government cannot restrict travel due to citizens' right to free movement. Furthermore, the visa policies of these countries allow for easy entry, which traffickers exploit to mislead migrants, Nebiyu elaborated.

Additionally, the government is working to rescue migrants in Sudan, particularly in areas where the ongoing conflict is spreading to regions inhabited by Ethiopian nationals.

In other news, the Spokesperson announced that 24 newly appointed ambassadors were sworn in by President Sahlework Zewde. These ambassadors are expected to begin their assignments soon.



Nebiyu Tedla

Premier unveils...

phenomenon, noting that international donor support dates back to Emperor Haileselassie's regime.

"The Council of Ministers decided on such a positive stride even before the Prosperity Party came into existence to fully embrace the benefits of a homegrown economy." Abiy added that benefiting from a market-oriented economy is not new for Ethiopia; rather, the country is now part of the global bond.

Contrary to devaluing its currency, Ethiopia aims to unify it as black-market transactions currently dominate the economy. The Prime Minister stressed the need to narrow the gap between parallel and regular transactions, making the difference minimal. Pro-poor activities, such as subsidizing low-income citizens, must also be effectively implemented.

"The appalling trend of black-market activities must be curbed," Premier Abiy said, underscoring the importance of reducing economic disparities and supporting the vulnerable population.

U.S. hails...

end ongoing conflict and human carnage.

This came as the U.S. Special Envoy to Sudan gave a presser here in the U.S. Embassy in Addis Ababa following his visits to Djibouti, Nairobi, and Cairo.

Special Envoy Thomas Perriello told journalists yesterday that the U.S. has been providing humanitarian aid to Sudan, working with neighboring countries like Ethiopia that have opened their doors to refugees.

According to him, the role played by the Ethiopian Government in welcoming refugees and ensuring regional stability is appreciated by

the U.S. government.

Perriello remarked that the Sudan crisis has garnered too little attention from international press and across the region.

The U.S. government, as to the special envoy, is taking an active role to try to end the conflict including the most recent initiative in Geneva for a national cessation of violence which is an extension of the Jeddah process, as well as supporting the African Union's inclusive political dialogue.

The U.S. would like to achieve three goals from this peace initiative: such as a national cessation

of violence, full humanitarian access to all 18 states and a mechanism for monitoring and enforcing those two agreements, Perriello stated.

"The sheer urgency of the situation has gotten many of the regional players to understand that whatever interest they have from advancing the war is tiny compared to the price everyone will pay from this war continuing to accelerate and escalate. We do believe that it needs a positive engagement and alignment of regional actors," he said.

The neighboring countries have opened their doors to Sudanese fleeing the horrors and starvation inside, he noted. "The single best

way is ending the war, so this is seen as a comprehensive strategy in order to work with Ethiopia and others in the region on the refugee crisis, and try to address the underlying issue - the war."

The U.S. Government, as to Perriello, appreciates countries that receive Sudanese refugees and show their kind hospitality.

"We will continue to hear both from refugees and in conversations with governments, including Ethiopia, about how we can ensure the best possible conditions for Sudanese refugees," he said.

Behind AU's...

specialized agency of AU.

Chairperson of IACO and Ethiopian Minister of Agriculture Girma Amentie mentioned that the decision is huge news for coffee farmers in the continent. He said, it would benefit Ethiopia as it is among the top African countries in coffee production and land coverage of coffee with 36 percent contribution to nation's export amount.

As a country that have five million households depending on coffee production, exporting the cash crop to African countries using AfCFTA would play a vital role for Ethiopia in enhancing trade destinations, he remarked.

The G25 Heads of State initiative aims to address infrastructure, taxation, and financial issues through providing an amplified global voice and a unified African stance on global issues. This initiative is expected to enhance regional market access through the AfCFTA, improve logistics, and strengthen infrastructure.

Commissioner for Agriculture, Rural Development, Blue Economy and Sustainable Development, Ambassador

Josefa Leonel believed that with over 70 percent of African families depend on coffee for their livelihood, it is vital to take advantage of the socioeconomic benefits of the commodity.

Expanding regional integration, creating job opportunities, doing Inter-Africa businesses are amongst the core mandate of the AU. Hence, the decision is a pilot initiative as well as huge milestone as the continent has all the resource and can trade through AfCFTA, she said.

Coffee originates in Ethiopia that is why it is the backbone of country's economy. Similarly, Uganda is also the producer of Coffee Arabica and Robusta so that it is vital to take advantage of the socioeconomic benefits of the commodity, she stressed.

"It is time for us now to take our destiny in our hand and revamp the production of coffee. We need to mobilize resource, start working properly in our industries, transform value chain, selling value added coffee, and change the way we do things," she underlined.

For IACO, Secretary General, Ambassador

Solomon S. Rutega, the vision is to transform African coffee sector through value addition.

Conducting advocacy is vital as political support is crucial to make the decision all over the world, he said. "The politics has not given attention that the commodity deserves whilst the fact that coffee is half a billion dollar business and the second largest commodity in the world."

Thus, he underlined the need to attach importance to the commodity.

With regard to private sector engagement, he said, IACO ratified agreement and came up with new coffee agreement to allow countries like Morocco and Algeria to join IACO so that Ethiopian coffee can access the market under AfCFTA. "This is something that we would be intentional to ensure that coffee from Ethiopia and Uganda access market in consuming country," he added.

Ethiopia is the only country in sub-Saharan Africa with a per capita consumption of coffee about 2/3kg per person, as to him.

He further expressed his readiness to make Addis Ababa the regional Africa coffee

training center that trains many young and women generation to build their coffee skill.

General Director of Ethiopian Coffee and Tea Authority, Adugna Debela (PhD), said adopting coffee as strategic commodity would allow African countries to have unified stance on the coffee as well as its market.

Over 13 percent of African countries import coffee while the continent is contributing 12 percent of the product to the world market, he said, adding that exporting coffee to African market would not only benefit the producers but also other segment of the society in various means.

Ethiopia exports 99 percent of coffee without adding value depending on the demand of the importing countries. However, with the coffee being the strategic commodity, penetrating into African market through AfCFTA would be win-win as 13 percent of African countries (Northern African) import coffee from outside the continent. Through adding value to the coffee, the nation could also benefit in making brand as well as create ample job opportunities, Adugna added.

Opinion

Macro Economic Reform: Decisive, timely measure to ensure sustainable growth

BY GETACHEW MINAS

The Ethiopian government has been undertaking major macroeconomic reforms with the goal of stabilizing the economy. These reforms have been designed to support sustainable economic growth and development in the country. The major impact of these measures would be to promote an all-inclusive development in which higher standard of living of the people is to be achieved.

The macroeconomic reform program has been devised to include several measures. These measures are to be accompanied by socio-economic initiatives at all levels. The measures consist of fiscal, monetary, structural, and other sector reforms. It is presupposed that these reforms would be managed by relevant and responsible institutions. Of course, these institutions are staffed by competent experts that have the required qualifications in the design, implementation and follow-up of achievements. These are finally confirmed by monitoring and evaluation of economic sectors, mainly agriculture, industry and services. Each of the sectors has its own sub-sectors with institutions responsible for their implementation.

The fiscal policy reforms essentially focus on debt management and tax reforms. Regarding debt management, the government of Ethiopia has been making an effort on managing its public debt. This is crucial for ensuring economic sustainability. Here, sustainability refers to practices that support long-term economic growth without negatively impacting social, environmental, and cultural aspects of the community and the society at large.

Sustainable economics is about making decisions to safeguard natural resources for future generations while still promoting economic growth. Without resources for the future, there will be no economy to grow. Both debt management and tax reforms focus on the productive use of resources of the country. The major resources or factors of production are land, labor, capital and entrepreneurs that are part and parcel of the economic development process. Debt management has, therefore, to focus on guaranteeing that the economic goal of Ethiopia is fulfilled using these factors of production.

Debt management is part of the economic reform program that requires skills in negotiating with creditors. The purpose of this negotiation is achieving debt relief or restructuring. Debt relief may take a number of forms or types, including reducing the debt, lowering the interest rate on it or extending the period for repayment, among others. It also involves the reorganization of the debt to make it easier to repay. It can also allow creditors a chance to recoup a portion of what they are owed.

The government of Ethiopia has implemented tax reforms to enhance collection of revenue. The reforms help in broadening the tax base, and improve tax administration. Tax base broadening is the expansion of the amount of economic activity that is subject to tax. This measure eliminates tax exemptions, exclusions, deductions, credits and other preferences. However, narrow tax base favors one product or industry over another, and may undermine stability of revenue. There are generally four tax bases and these are individual tax, corporate income tax, sales tax, and property tax.

Monetary policy reform is one of the basic elements of macro-economic restructuring. The policy measure includes exchange rate liberalization and control of inflation. The Ethiopian government has been progressing towards a market-determined exchange rate system. The objective of this measure is to enhance the competitiveness of exports. When the foreign exchange earnings are improved, the pressure on the balance of payment is drastically reduced. The foreign exchange earnings have to be used for enhancing the productive capacity of the country. Also, the monetary policy may be used to bring inflation under control. The government and the national bank of Ethiopia (NBE) have been focused on controlling inflation. The taming of inflation, however, requires the application of various and relevant monetary policy tools. The choice of these tools is absolutely critical for keeping inappropriate measures at bay. The NBE should exhaust all the necessary and appropriate alternatives before deciding on the final monetary tool or tools.

An important structural reform is related to privatization in which the Ethiopian government has taken decisive measure. It has initiated the privatization of state-owned enterprises, which had been nationalized by the military government of Ethiopia. Of course, all these enterprises have not been fully privatized. Most of these state enterprises are still the major earners of revenue for the government. They are also the major providers of goods and services to the market. They provide employment to highly skilled professionals in the country.

In this regard, the key sectors are telecom, sugar estates, and energy generators and other enterprises. These enterprises are productive and profitable ones that attract foreign investment and improve efficiency. The reform encourages Foreign Direct Investment (FDI) which is a proven means of generating employment, income and profit in the various sectors of the economy. Thus, the reforms are bound to enhance growth and development in Ethiopia.

Economic growth is realized only when reforms are made and implemented effectively in different sectors of the Ethiopian economy. Sector reforms are,

therefore, instrumental in fulfilling the objectives of each and every enterprise. Reforms are conducted in critical sectors, including agriculture, manufacturing, and finance. These key sectors are instrumental in enhancing productivity and competitiveness. The ability to compete is instrumental in fulfilling reforms in every enterprise in the different sectors of the economy.

Competitiveness presupposes the availability of modern tech in every enterprise. Such an enterprise should be equipped with appropriate personnel that are capable of planning, managing and fulfilling enterprise objectives. These objectives should be related to production of goods and services for both the domestic and external markets. As a result, the local market is stabilized through the creation of output, employment, and income. Foreign exchange earnings from export are used for importing critical inputs for the productive enterprises in Ethiopia. It is, therefore, very critical to balance import with the capacity to export.

For the purpose of balancing external trade, it is necessary to create favorable investment and business climate for both Ethiopian importers and exporters. Those state agencies responsible for regulatory reforms should make efforts to enhance the business climate that favors trade. This is done through creating a business climate in which bureaucratic hurdles and red tapes are reduced or eliminated, if possible. This is done through efficient and effective legal frameworks with the goal of protecting investor rights. These entities should not feel that they are denied of their rights to be treated like any Ethiopian citizen.

A few bureaucrats hidden behind their junior staffs try to wrongly claim authority to rip off or cheat a client or investor by charging too much money for nothing. In other words, they conduct an act of financial exploitation by virtue of their post. The government has, therefore, to weed out corrupt bureaucrats and their abusive staffs from their posts if it is determined to provide clients efficient and effective public services.

Local investment may not be sufficient to provide the necessary financial inputs for running the economy. Most developing countries, including Ethiopia, need to attract external investment using various strategies. Of course, external investors come into the country seeking maximum profit. They have choices of countries that are offering attractive returns for investment in a short period of time. They also guarantee external investors maximum security to their investment. Such investors also seek markets that guarantee maximum profit at low cost.

Low cost of production implies cheap labor, raw materials, and low interest rates on borrowed money. The investors

also look for longer grace period for loan repayment. They seek protection by the government, secure land or property and safety of enterprises and property. The Ethiopian government has been actively seeking to attract foreign direct investment (FDI) by offering business incentives. It has also been creating special economic zones for entrepreneurs in different parts of the country.

Though critical inputs of production have contributed to profitable outputs for markets, there have been threats of macro economic reform in Ethiopia. Rapid reforms may lead to social unrest due to marginalization of some groups of people. These people may be negatively affected, in situations of unemployment or rising costs of living or inflation. The reforms may lead to economic growth, but they may also cause income inequality when the benefits are unevenly distributed. In the short-term, reforms may cause pain as a result of economic contraction. Reforms may also reduce the rate of growth as the manufacturing industries take time to adjust to new rules and regulations and competitive pressures. The Ethiopian economy may face currency volatility due to the new reforms. These reforms may lead to currency fluctuations, causing the prices of imports and exports to change. Generally, these changes in prices have the potential to create inflationary pressures.

Political instability may be another threat of macro economic reforms in Ethiopia. These reforms may lead to political challenges if they are not accepted by the people. Besides, there may be opposition to the reforms from opposition parties or other groups that have vested interests in the political economy of the country.

As a developing country, Ethiopia is dependent on external finance to conduct its international trade and economic reforms. Usually, reforms often need external financing to fulfill their objectives. This process, however, may lead to increased debt and dependence on global financial institutions or bilateral sources of loan. All these lenders are risk averters when lending to a developing country such as Ethiopia.

If economic reforms are not carefully designed and implemented, there may be a risk of policy reversal by developing countries after loan is secured. This may be leading to economic instability and loss of investor confidence. Though the reforms have the goal of stabilizing and transforming the economy, Ethiopia may face unexpected political, economic and social challenges. However, the ongoing reforms provide a foundation for sustainable growth and development in the country.

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

Editorial

The green gold becomes Africa's strategic anchor commodity

Coffee is one of the most beloved and by far the most favorite mild stimulant beverage of the world. It is served both at household levels as well as in globally renowned starred hotels, events ...etc.

While coffee is produced in many parts of the continent like Asia, America and Latin America, it would be no exaggeration to argue that Africa is unique for it. For instance Ethiopia is believed to be the origin of Coffee. IT is also one of the largest producers and exporters of the cash crop. Furthermore the country is well known for its special delicacy of its specialty coffee varieties. In addition the commonly grown types of coffee are coffee Arabica Coffee Liberica and coffee robusta of which Ethiopia is the birth place of the earlier. Three of the world's top producers of the grain, Kenya, Ethiopia and Cote d'Ivoire are also found in the continent.

Therefore the continent has many good reasons to select coffee as its strategic anchor commodity in its agenda 2063 flagship project. In this endeavor Ethiopia can play meaningful role.

Ethiopia is working tirelessly to develop this green gold in its vast areas. In order to uplift its production and productivity, research are underway in many parts of the country. As a result, the country has gained increasing hard currency year after. According to the Ethiopian Coffee and Tea Authority (ECTA), the country has earned 1.43 billion USD from exporting 298,500 tons of coffee during 2023/24 fiscal year.

Briefing journalists recently, ECTA Director General, Adugna Debela (PhD) said that this year's export volume has seen an increase of 50,000 tons compared with the same period last year.

"Utilizing the vertical integration approach helps to provide world standard coffee to the international market, avoid bureaucratic red tape, and ensure farmers benefit. Though a number of challenges existed such as the Red Sea security crisis, lack of containers, and logistics constraints, it has gained remarkable revenue from coffee even exporting through airlines cargo," he added.

Products of certain areas like "Yirgacheffe coffee" are provided to the world market by their name of production that benefits the producers and the country as well. Those engaged in coffee development, individuals or companies, they are exerting maximum effort to get better yield and generate good income for themselves and their country.

Ethiopia and Africa as well, have to pay special attention to preserve the original coffee beans otherwise; it will lose its quality that resulted in deteriorated validity. In order to avoid adverse impact on the nations' hard currency earning and become competent in the international market, the countries have to use mechanisms that help them provide world standard coffee.

According to documents, there are over 70 countries engaged in coffee cultivation across the globe. They are high competitors in the coffee market of which some are the leading producing up to 30% of world's total. Africa's share in this regard is not significant partly because of less quantity and mostly because of lack of value addition.

For the fact that they must stay in the market and become competent, African nations ought to shift to providing value added products to the global market. On top of that, protecting their products from illegal trading is essential. Failure in this regard resulted in losing credibility for there is a threat that Africa's original beans are blended with other products and lose its originality.

For this, enacting legal framework that safeguards the quality of the product should be a measure not to be postponed for tomorrow. Illegality in this sector must be considered as an existential threat.

Ethiopia and the remaining countries of the continent need to synergize their traditional and modern knowledge of coffee production to help the continent prosper from its untapped potential for coffee production which it chose as its strategic cash crop.



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Opinion

Ethiopia's reforms set to accelerate debt restructuring

Ethiopia's debt restructuring process is set to accelerate after the approval of a new IMF program, says Fitch Ratings. This followed the government's introduction of macroeconomic reforms, including exchange rate liberalization and the establishment of a new interest-rate based monetary policy framework. We believe debt treatment discussions could progress relatively quickly compared with other recent restructurings under the G20's Common Framework.

Ethiopia runs structural current-account deficits and its external imbalances worsened in the past four years amid multiple shocks (both external and internal) and disrupted external financing inflows. We believe the country's strained external liquidity position contributed to the authorities' suspension of coupon payments on its outstanding USD1 billion Eurobond, which prompted our downgrade of the sovereign's Long-Term Foreign-Currency Issuer Default Rating (LTFC IDR) to 'RD' (Restricted Default), from 'C', in December 2023.

Between end-2023 and 26 July, the official exchange rate depreciated by less than 3%. The National Bank of Ethiopia (NBE) indicates it fell by a further 24% on 29 July after the reform, narrowing the disparity with the unofficial exchange rate. Liberalization may create a near-term inflationary shock as import prices rise, but the IMF program envisages a fiscal package of 1.5% of GDP to mitigate the impact. We believe a market-clearing exchange rate that alleviates foreign-currency shortages and structural external imbalances should facilitate private-sector investment and economic growth.

The new monetary policy regime aims to reduce financial repression and enhance monetary policy transmission. The authorities had previously relied on administrative measures to control private credit growth, as well as mandatory purchase requirements and NBE advances to address domestic financing needs. Inflation stood at 22% in 2024, against an average of 30% in 2023.

The IMF Executive Board's approval of Ethiopia's Extended Credit Facility on 29 July allowed

immediate disbursement of USD1 billion of the program's total USD3.4 billion funding. The IMF projects a financing gap of USD10.7 billion, excluding suspended bilateral debt service due in 2023 and 2024. This is expected to be addressed through the IMF disbursements, prospective budget support from the World Bank amounting to USD3.75 billion, and debt restructuring of USD3.5 billion during the program period from FY24/25 to FY27/28.

According to the IMF, further debt relief beyond the program period is required to bring Ethiopia's external debt burden indicators below the thresholds for "moderate" risk of debt distress. Fitch estimates that debt restructuring of USD3.5 billion would reduce the present value of Ethiopia's debt-to-exports ratio to 154% by the end of the program period, still above the relevant 140% threshold.

According to the IMF, the common understanding on debt relief required to restore debt sustainability formed by the Official Creditor Committee (OCC) facilitated the swift release of funds under the IMF's new 'credible official creditor process', which reduces formal requirements for release of financing to sovereigns in default, launched earlier this year.

We expect Ethiopia to reach agreement on treatment of its official debt relatively quickly, as prolonged negotiations with the OCC should already have laid the groundwork. The standstill agreement with bilateral creditors in 2023 will be succeeded by a full debt treatment. This would pave the way for talks on restructuring its commercial debt on comparable terms. Private creditors hold only around 5% of total central government external debt, with over 90% being the USD1 billion Eurobond. This may reduce the complexity of these discussions.

Once we assess that Ethiopia has completed that restructuring process and normalized relations with a significant majority of its foreign-currency creditors, we would assign a LTFC IDR based on a forward-looking assessment of the sovereign's willingness and capacity to honor its foreign-currency debt obligations.

Source: fitchratings.com

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

Art & Culture

Addis Ababa should organize annual national book fairs

BY MULUGETA GUDETA

The inspiration for the following article came to me from the news about the national book fair from Alexandria, in Egypt. I was toying with the idea of writing an article about the need to organize similar book exhibition in the Ethiopian capital Addis Ababa which has grown to potentially become one of the biggest centers of national cultural activities.

Alexandria is of course the second biggest city in Egypt after Cairo and it has long become the venue for culture and entertainment particularly at this time of the year when summer is offering a once in a year opportunity for many Egyptians to come to the city and attend cultural events. The annual Alexandria book exhibition is one of the most frequented and eagerly awaited cultural event that take place every year in summer.

Book fairs can take place not only in summer but also in winter or in the rainy season as it may be the case in Ethiopia for different reasons. Alexandria was apparently chosen to become the venue of the annual exhibition due to the fact that the book market is hot in summer as visitors from every corner of Egypt come for the vacation and buy books as an annual cultural ritual. The contrast between Addis and Alexandria could only be sharp because the level of cultural development in the two African cities cannot be comparable.

While Egypt holds such book fairs in many cities, Ethiopia has not yet developed the capacity for organizing regular annual book fairs for the residents of Addis Ababa. Yet, Addis has a lot to learn from Alexandria and a great potential for cultural growth as it is the melting pot of various cultures and ethnic groups in the country who speak different languages and some of which have their written scripts and are already engaged in book publishing although their capacity might be limited at present.

Egypt and Ethiopia are not only among the most ancient written civilizations in Africa. These two countries have also developed their respective scripts and have played key roles in the development of their respective written literatures. Egypt's strategic position along the Red Sea and its proximity to the Indian Ocean has located it at the crossroads of various original civilizations like the Greek, the Arab and European civilization. This geographic advantage has also helped the country to develop its literature in Arabic which was and still is one of the languages of literature in the area. In the modern age, Arabic literature could develop at a faster pace so much so that it has produced some of the most classic literature.

Egyptian civilization is not only based on the Nile river. It also claims its inspiration from different civilization in the region that have contributed to the growth of publishing books as well as to the emergence of prominent writers who have been honored with the most coveted international literary awards such as the Noble Prize. As a corollary of this, Egypt has a clear



advantage as far book publishing and book exhibitions are concerned. The country has only one written language, which is Arabic and the population of the region is far more homogeneous as it traces its origin from the Berber and Arabic ethnic group. This has of course both advantages and a disadvantages as far literary development and book fairs are concerned.

Addis Ababa is of course the political, economic, social and cultural center of Ethiopia, a city growing in importance as the center of African diplomacy and culture and as a potential center of African culture, as this columnist has often suggested. Together with cinema and other art forms, books are of course important in the overall development of a country like Ethiopia that has a long history of printing and publishing books.

Although, Ethiopia is generally recognized as one of the ancient civilizations in the continent of Africa, particularly in the development of its written script that date back to the 4th century Axum civilization. Ge'ez, as the language of the Ethiopian Orthodox Church has been at the center of church learning before it was replaced by Amharic as the national language of the country.

"Ethiopian literature has been characterized for many centuries by the unchallenged sway Ge'ez or the language of the Ethiopian Orthodox Church had over all aspects of intellectual life including literature. Ge'ez literature largely dealt with the lives and miracles of saints and angels and largely consisted of church chronicles, so to say. It hardly dealt with secular themes and the lives of ordinary Ethiopians. Amharic, although an offshoot of Ge'ez, later on made a sharp break with this ancient tradition and started to serve as a vehicle for the feelings, emotions, aspirations and hopes and frustrations of ordinary Ethiopians.

Printing is also an ancient art in Ethiopia even though book publishing is a relatively more recent phenomenon. Although Addis Ababa has so far failed to provide its residents the luxury of organizing annual book fairs there were irregular book fairs taking place in the capital whose experience could be used to establish a regular annual such exhibition as a feature of its cultural events.

The 19th Alexandria national book fair took place for a week running in the second Egyptian city of Alexandria for a week running from July 14- 28, 2024. According to an online report by africanews.com, there were 77 publishers at this year's fair and an entire section dedicated to children's literature. The two week book fair or exhibition featured 160 cultural events involving around 600 artists and intellectuals. The Alexandria book fair is growing with new events added every year along with new publishing houses.

A book fair is a display or exhibit of books typically by a group of publishers or book dealers for promoting sales and stimulating interests. It is also defined as a fair or bazaar at which books are sold or auctioned to raise money for some worthy cause. The benefits of book fair are many. They expose visitors to different cultures, connect them with favorite authors, develop their interests in reading and motivate them. Besides the general public, students are expected to strive to attend book fairs in order to broaden their perspectives through reading and expose themselves to the best works of national or international literature.

The cultural advantages of book fairs are many. "They help develop reading and comprehension skills. A book fair is an excellent opportunity to build students' home libraries, further their reading and comprehension skills and often build

knowledge and vocabulary critical to understanding new subject matter. This practice enables families to make reading a family event." This is true as far as students are concerned. Yet, the general public too can get many advantages visiting book fairs because they supply books at lower prices and introduce readers to new titles and old ones that are currently out of print. Book fairs can also introduce their visitors to various genres of books and inspire potential young writers to get inspiration to embark on a writing career.

Book fairs are not only for display and book sales. At book fairs, authors hold discussion forums and introduce their new books to the visitors. They sign autographs and give free book gifts to their fans as well as encourage new and upcoming authors by sharing their experiences. "Book fairs feature author talks and panel discussions, where you can learn about the writing process hear about new releases and ask your favorite authors questions about their private and public lives in their long writing careers.

If we look at the advantages of book fair in the Ethiopian context, we realize that they can easily serve as factors of cultural cohesion by allowing readers and students from the various ethnic groups to come and see what kind of books are published and how they can replicate their experiences to their own realities back home. This would in turn give them the inspiration to organize regional book fairs that would cater for the growth of the local literature.

Due to historical reasons, the level of cultural development in Ethiopian regions is far from being uniform. Some regions and ethnic groups are relatively more advanced in the development of their local literature and book publishing while others trail behind. These disparities can be narrowed by holding regular book fairs that provide opportunities for exchange of books as well as experiences. This can in turn create a spirit of competitiveness by inspiring participants to do better at the next book fair. This would also give rise to what is known as Reading Festivals Weeks.

During Reading Festival Weeks, children participate in a variety of engaging and fun activities to help promote literacy learning. By incorporating the use of technology and audio-visual aids, children are able to recognize the importance of expression when reading or storytelling. How many of us know that there is an annual World Book Day? The ideas or objectives of World Book Day are, among others, to remind us that everyone has a story to tell, everyone has an experience we can get joy and learn from. We can perhaps apply these ideas to the objectives of an annual national book fair that will be held in Addis Ababa and other major cities of the country. Most importantly book fairs will allow visitors that everyone has a story to tell and show them that wherever they live, they are not alone, in this way book fair can promote cohesion, belongingness and the spirit of healthy introversion.

Law & Politics

Right time to consider Ethiopia's AGOA re-eligibility

BY EYUEL KIFLU

In the beginning of 2022, Ethiopia and two West African countries were suspended from the African Growth and Opportunity Act (AGOA). The reason that the U.S. government claimed for the suspension of Ethiopia was the northern Ethiopia conflict. The former accuses the latter that human rights organizations reported massacres and mass starvation following the conflict that escalated.

AGOA provides duty-free access to the US market for qualifying sub-Saharan African countries. Ethiopia has been a beneficiary of AGOA since 2000, with the program contributing to significant economic growth and export earnings for the country.

However, during 2022, the US government has grown increasingly concerned about the Ethiopian government's crackdown on opposition voices and civil society organizations. Widespread reports of arbitrary detentions, torture, and extrajudicial killings by security forces have led to calls for Ethiopia to be removed from the preferential trade program. The suspension has been applied from January first to now.

It was reported that the suspension of AGOA benefits will remain in place until the US determines that Ethiopia has made sufficient progress on human rights. In the meantime, Ethiopian businesses will face higher tariffs and lose their competitive advantage in the US market.

After the suspension, the Ethiopian government is working on the improvement of the issues that led to the suspension from AGOA. In November 2022, the federal government signed a peace deal, aka Pretoria peace agreement, with the Tigray People Liberation Front (TPLF). Also, after the peace pact is signed, the implementation is also going well.

In different times, the federal government expressed its commitment to fully implement the Pretoria Peace Agreement for the sake of peace, development, and security in the Tigray region and the entire nation.

This commitment was made during the 1st Strategic Reflection on the Implementation of the Cessation of Hostilities Agreement, which was held on March 11, 2024. The Chairperson of the African Union Commission, Moussa Faki Mahamat, highlighted some of the key achievements since the signing of the agreement, including the immediate cessation of hostilities, the handover of heavy and medium weapons, the

resumption of essential services, and the reopening of schools and economic activities in most parts of the Tigray region.

Furthermore, the Chairperson noted the progress made in the establishment of the Interim Regional Administration in Tigray and the National Commission for Reintegration, with the support of the AU to the working group on transitional justice.

The African Union has also commended the progress made since the signing of the peace accord, as reported by Xinhua on July 10, 2024. The AU Commission Chairperson, Moussa Faki Mahamat, stated that the 55-member continental organization convened the second strategic reflection meeting on the implementation of the Permanent Cessation of Hostilities Agreement (COHA).

During the meeting, the chairperson "commended the parties for the significant progress made since the signing of the Permanent Cessation of Hostilities Agreement." The deliberations focused on the political dialogue between the Ethiopian federal government and the TPLF, where the two parties agreed on engaging and identifying topics, focusing on the return of internally displaced persons and the disarmament, demobilization, and reintegration process of former combatants.

Recognizing the advancements in the return of internally displaced persons and in the disarmament, demobilization, and reintegration process, the two parties also agreed on a phased execution of the COHA, as reported by Xinhua.

Not only the peace agreement but also the central government has established the National Dialogue Commission (NDC) to bring national consensus. In a similar vein, to hold the perpetrators accountable, foster healing and reconciliation, and promote human rights and institutional reforms, the government established the Transitional Justice (TJ). The TJ expert group conducted the policy input, which the Ministry of Justice submitted to the Council of Ministers for the policy discussion.

Similarly, the NDC started the dialogue by selecting representatives in different parts of the country. So, the U.S. government would consider this improvement and need to reinstate the country. The AGOA extension will end in September 2024; however, it is expected of the U.S. Congress to reauthorize.

Briefing journalists on the outcomes of the 2024 AGOA Forum held in Washington via webinar on Tuesday, Joy Basu, the Department of State's Deputy Assistant Secretary for African Affairs,



stated, "We've had years of conversation with the Ethiopian Government as to what the government needs to do to ensure that the country is re-eligible or is eligible again for AGOA benefits."

Constance Hamilton, the Assistant U.S. Trade Representative for Africa, said, "We have been very specific in our conversations with the Ethiopian Government of what we need to see in order to reinstate them in the program."

The review right now is underway, and we are looking at all of the information that's coming in from various sources, which we will evaluate very carefully. Before the end of the year, the President will announce his decision on whether or not Ethiopia will be returned to AGOA."

Basu added that the process of maintaining AGOA eligibility is not a "guessing game," and the legislation provides clear guidelines on the requirements. The U.S. government aims to see countries remain eligible and companies benefit from the program.

During the ministerial, Hamilton stated that the U.S. delegation emphasized their ongoing dedication to AGOA. They engaged in discussions on various topics such as enhancing program utilization, promoting worker-focused trade policies, and strengthening partnerships for mutual economic

growth. The conversations delved into challenges faced by women, youth, small businesses, and the African diaspora in accessing trade opportunities.

Additionally, they explored leveraging the multilateral trading system to benefit marginalized communities. The talks also touched on modernizing AGOA for enhanced development impact and regional economic integration. President Biden's support for AGOA's modernization and reauthorization was reiterated. Positive dialogues with bipartisan members of Congress were highlighted, showcasing their commitment to reauthorization and interest in updating the legislation for greater effectiveness.

Recently, the AGOA Forum convened under the theme "Beyond 2025: Reimagining AGOA for an Inclusive, Sustainable, and Prosperous Tomorrow." The event brought together senior government officials from the U.S. and AGOA-eligible countries, along with representatives from regional economic organizations, labour groups, civil society, and the private sector. Discussions at the forum centred on modernizing AGOA to enhance its effectiveness, inclusivity, and alignment with the dynamics of a 21st-century U.S.-Africa economic partnership.

“Religious leaders can play important role towards promoting peace and stability in Ethiopia,”

- Dr. Tesfaye Yacob

BY WAKUMAN KUDAMA

Ethiopia is presently undertaking a National Dialogue designed to promote peace and stability by addressing and resolving recurrent conflicts. This initiative aims to provide solutions to enduring national challenges. Active participation from all societal segments, including religious leaders and institutions, is deemed essential for the dialogue's success.

In this context, The Ethiopian Herald has sought the perspectives of Dr. Tesfaye Yacob on the role of religious leaders in enhancing the effectiveness of the National Dialogue.

Dr. Tesfaye Yacob earned his degree in Medicine in 1985 and subsequently completed a Postgraduate Degree in Leadership and Management. His distinguished career includes several prominent positions: he has served as the Director of a public hospital. Additionally, he held the role of General Secretary of Ethiopian Kale Heywet Church, a national church, from January 1997 to March 2010. His expertise in healthcare management is highlighted by his tenure as Chief Executive Officer of women's health care hospitals. In academia, he has contributed as a college instructor, sharing his specialized knowledge. He has also authored books on leadership, with a focus on Christian leadership.

Dr. Tesfaye Yacob offers an insightful discussion on the role of religious leaders in promoting peace and stability, drawing from his extensive knowledge and experience. This analysis is a highly recommended read.

Do you believe religious leaders would play significant roles in promoting peace and stability in Ethiopia? How?

Yes, religious leaders can play important role towards promoting peace and stability in Ethiopia, due to their primary duty within the context of their constituency. They have social capital, authority, status, acceptance, and respect by communities, and hence, they are potential agents of peace. It is known that they are considered trustworthy in their societal interactions and are influential. They are present in all key events of life of an individual or family and are expected to provide guidance that is just, unbiased and neutral. In most Ethiopian societies religious leaders are expected to play role in mediation of conflicts. Religion provides a guide towards maintaining social order and social structure, tackling challenges and situations of uncertainty. Religion is an important factor of social cohesion and a force for peace. Religious values have the power to bring forgiveness, unity, cooperation and reconciliation. Religious solidarity is known for its framework that embraces all groups in a society, irrespective of their various features, such as class, and clan and brings all to a common table for a shared community. Justice, love and service are key religious tenets. Peace is the main tenet of faith and this means religious leaders are called and commissioned as peace agents. Working towards attainment of peace is the mandate of religious leaders in accordance to Holy Scriptures, as well as expectation of their constituency and society at large.

In Ethiopia today violent conflict is probably the most acute and serious problem that affects everyone in society. Religious leaders cannot be bystanders. In order to fulfill their duty, as peace agents'

religious leaders must work relentlessly for peace. They can do this through their teachings, preaching, or any other engagement and interactions that they have due to their role in society. The most powerful method of carrying forward this mandate is through modeling. This means living in deeds what they preach and teach in various opportunities. Being a peace agent can effectively be done through actions that demonstrate our values and what we stand for in various challenging and diverse situations.

Should religious leaders involve in the National Dialogue? Can they contribute to long-term peace and stability in the society, beyond their denominations?

Yes, religious leaders should involve in all possible opportunities and forums that are established and commissioned to promote peace and stability in society. Yes, they can make proper contribution towards long term peace and stability in society, due to their inherent role as leaders of value based group. They can make contributions in the beginning by working towards peace and stability in their immediate vicinity and then that can have a ripple effect towards society at large. Those who have earned respect of their constituency can make contributions beyond their denomination.

In the global scenario, National Dialogues emerged as important platforms in many conflict contexts to rebuild strained relations and establish a peaceful transformation of societies. After the end of cold war in the global scenario, in many African contexts elites who lack adequate understanding of the grass root situations emerged. The Arab spring that suddenly popped up was a manifestation of the gap between the people and the



elite. Both of the above situations led to a need for National Dialogue. The common denominator in most of these contexts was an urgent call for inclusive policy making, that demands grass root engagement in the process of National Dialogue. In Ethiopia the establishment of National Dialogue is recognition of a need for a new set up that redefines the prevailing circumstances in society. This demonstrates interest in seeking consensus among diverse stakeholders, and hence should be respectfully embraced and entertained carefully. The teachings of all religions by design and act are tuned towards maintain social order and religious leaders have the mandate to play a role on this front. There are many global, regional and national exemplary religious leaders who contributed remarkably towards peace making.

Apparently, National Dialogues must be inclusive of all stakeholders. The Ethiopian National Dialogue is addressing key foundational matters of the country. Religious leaders, due to their role in society are key to peacemaking efforts. Making every attempt to promote peace and bring reconciliation is indeed, a noble move that leaders should embark on. The National Dialogue would be owned by religious leaders, if it is presented

with clarity. That will make leaders capable of ensuring reconciliation, preventing conflicts, managing crisis and contributing towards systemic conflict transformation. In the Ethiopian context religious institutions are historically major contributors on establishing the moral high ground of society. We cannot afford to ignore our history. The relationship of religious institutions to the state is a complex in the Ethiopia context. That makes religious leaders strategically important in the process of National Dialogue, as local, regional and national actors towards supporting the process, to become more effective and efficient delivery of what is intended. Traditional methods of conflict prevention and resolution are influenced by religious values.

What should religious leaders do to support the current National Dialogue?

To begin with religious leaders, have to understand the mission and strategies of the current National Dialogue. This can ideally be followed by ensuring ownership of the overall process by religious leaders. Ownership is a prerequisite for leaders who are committed to mobilize communities towards a cause. Establishing and

Continued to page 9

“Religious leaders...

continued from page 8

building genuine ownership that can remain resilient in the midst of challenges and diverse circumstances demands developing fraternal partnership through an honest negotiation in a non-threatening and conducive context. The creation of such a context requires respect of values that can be shown through principles that can guide the negotiations. Operational directives that are designed to inculcate strategies through the usual mobilization, such as political campaign mechanisms may not attain the required results in the religious communities. This means there is a need for a comprehensive approach of engagement that is determined to invest time and skill, but oiled by values that respect the ethos and norms of the religious constituency. Religious leaders should provide input towards the process of future policy making environment and engage comprehensively in building the social framework.

What possible challenges do leaders face while participating in the National Dialogue? How can they handle these challenges?

It is apparent that leaders will have to face multiple challenges in their participation in the National Dialogue. The primary and perhaps the most outstanding challenge will be bringing their constituency onboard. The leaders are endowed with their mandate from their constituency and hence that is a key factor. The other challenge will be earning respect from society, and the need for regular timely steps in a context of fast changes. In addition, the creation and establishment of an acceptable modus operandi for both parties is a challenge. This would mean that the owners of the National Dialogue would do well, if they command the courage, audacity and magnanimity to bring on board the religious leaders.

Furthermore, the high level of expectation of society from religious leaders is always a challenge. However, these are not insurmountable challenges. In order to tackle these challenges, the leaders need to work within the acceptable premises and values of their constituency, inform and educate them and then bring them onboard. Bringing their constituency on board and demonstrating integrity of leadership can open the venue of earning respect from society.

The faith community leaders should ensure that they are capable of putting forward the interest of their constituency, which will be served through the caveats of national interest. This means the leaders should have earned the integrity, power and trustworthiness, to carry their weight. This should not be problematic in view of the fact that all groups are interested in maintaining national peace and stability, without which they cannot exist and perform their duties. There are groups who want to undermine faith



values. Such groups are determined to undermine faith values and faith institutions and are ready to label them as mores of the middle ages. Religious values have remained relevant and resilient despite the predictions of their disappearance by some secularists. The concepts of privatization and pluralization of religious values in the contemporary context should not be allowed to undermine faith values. Developing an inclusive national narrative helps in facilitating engagement of religious leaders in National Dialogue.

How can they contribute their share in addressing and resolving recurrent conflicts within our communities?

Yes, we are in the midst of multiple disputes and getting beyond this and maintaining peace and establishing a cohesive social environment is of paramount importance. The creation of a narrative that can embrace all Ethiopians together inevitably requires leaders who are capable of elevating themselves to a higher moral ground through their integrity. Religious leaders should remain focused on their mission that is considered their life calling. This demands avoidance of conflict of interest. Only then the leaders will earn the respect and moral high ground that can elevate them to a platform to address recurrent conflicts in communities. If they attain such a perceived standard, then they can engage in the provision of systematic, consistent and faith based teachings to their constituency and beyond in order to contribute towards conflict resolution. Sadly, we are living in a season that people continue to die due to violence in different parts of Ethiopia. Resolving conflict and maintaining peace demands the cooperation of all. The root causes of conflict should be addressed. This requires recognition of both the national structure and respect of ethnic identities.

Dialogue remains inclusive and representative of their religious groups?

It is in the interest of the National Dialogue to design a careful and creative mechanism that ensures inclusivity of religious leaders. We need inclusive National Dialogue as we are facing disputes in many fronts. Inclusivity is a prerequisite for success. Peaceful and inclusive dialogue is indispensable. This requires genuine interaction, building trust, fraternal partnership and establishing a forum of shared values. That will facilitate serving the interest of various groups. The creation of the right conditions for a successful National Dialogue is vital. The common interest area can be found and formed through honest discussions.

Do you believe their participation in the National Dialogue would foster the cooperation among the interfaith? How?

Yes, their participation in the National Dialogue can foster interfaith dialogue, due to the common agenda of protecting national interest and tackling together national existential threats. All religious groups recognize they have one country and indisputably protecting national existence of Ethiopia is in the interest of all groups.

How can their churches and the community support the endeavors of the leaders so that they effectively participate in the National Dialogue?

The decisive ingredient in terms of supporting the endeavors of leaders to ensure their participation in National Dialogue is respect earned from their constituency. They have to earn that trust and respect and then build on that. The National Dialogue process will benefit from creative, contextual and sustained participation of religious leaders. This demands governance facilitation that goes beyond external engagement. Investment of time, skill and social capital in such a process elevates the National Dialogue and as well ties it strongly to the concerns, feelings and understandings of the societal grass root basis. However, such a process should be built with sensitivity to the values of the religious community. The modus operandi of other sectors should not be indiscriminately utilized and expected to bring results in religious institutions. Those who work towards bringing on board the religious leaders should wisely avoid focusing on few bad examples. There is unacceptable behavior of some religious leaders that undermines the values of the constituency, but these should not be allowed to represent the majority. The approach should be capitalizing on faith values and the majority who adhere to these values.

Can religious leaders integrate their teachings and principles with the purpose of the National Dialogue to promote reconciliation and peace?

Yes, they can, because promotion of reconciliation and peace is already a message of the Holy Scriptures. Religious institutions are venues for unselfish and sacrificial service to others particularly to the down trodden in the group for whatever reason. Globally, there are many successful examples, where religious values and principles were creatively and contextually utilized in taking forward National Dialogue. However, that requires openness by owners of the National Dialogue and organizing forums that can serve such a purpose.

Can we say that the participation of religious leaders in the National

Society

Together, we can end human trafficking!

BY DARREN WELCH

(British Ambassador to Ethiopia and Permanent Representative to the African Union)

On World Day Against Trafficking in Persons, July 30th, I had the honor of visiting one of the safe houses provided by Hope for Justice. This organization has been a beacon of hope and change for over ten years in the fight against human trafficking and exploitation.

I chose to visit Hope for Justice because the UK government is deeply committed to fighting against human trafficking and modern slavery. These are crimes that strip people of their dignity and freedom and have no place in the modern world. The UK works closely with partners to dismantle trafficking networks, protect those most at risk, and ensure that those who exploit others are brought to justice.

The UK has a longstanding collaboration with Hope for Justice, so I was delighted to see their work in action by visiting the Deborah "Lighthouse" center in Ethiopia. This center supports young girl survivors of trafficking and exploitation and celebrated a significant milestone last year by helping its 1,000th survivor. The Lighthouse provides shelter, food, counseling, medical help, education, and the opportunity for these girls to simply be children again.



Many of these girls have faced unimaginable hardships after being lured to cities by false promises of work. I witnessed firsthand the critical help and support these girls receive to heal and rebuild their lives, with the goal of reintegration into their families. These young survivors demonstrate incredible resilience.

Empowering women and girls is a top priority for the new UK government because we strongly believe in the moral imperative and societal benefits of equal participation.

The staffs at Deborah Light house are truly remarkable. Their dedication and compassion are evident as they work tirelessly to provide care and support to the girls. Their commitment serves as a

powerful reminder of the positive impact that can be achieved when people come together with a common goal. I salute their dedication.

The fight against human trafficking and modern slavery remains as crucial as ever. With the help of organizations like Hope for Justice, it is a fight we can win. However, it will require the combined efforts of governments, organizations, communities, and individuals. We must do more to raise awareness in communities about the dangers of trafficking, advocate for stronger protections, and support organizations working with victims, such as Hope for Justice.

Founded in the UK in 2008, Hope for Justice

is an international charity working globally to help victims and survivors of human trafficking. They also work to bring about long-term change through collaborations with governments, law enforcement, businesses, and the public.

Hope for Justice envisions a world free from slavery, and they are supported by a global movement of campaigners, donors, fundraisers, and freedom-bringers who are dedicated to achieving this goal.

Established seven years ago in Addis Ababa, the Deborah Lighthouse has been tirelessly providing refuge, rehabilitative support, and reunification efforts to girls aged 7-18 years old. It addresses specific trends in the exploitation of young girls in Ethiopia.

The World Day Against Trafficking in Persons is observed annually on July 30th to raise awareness about human trafficking and promote and protect the rights of trafficking victims. This year's campaign focuses on raising awareness of the causes and vulnerabilities associated with child trafficking. It highlights the crucial need for dedicated support for child victims of trafficking and calls on the public and policymakers to address current shortcomings and accelerate action to #EndHumanTrafficking.

Together, we can end trafficking and slavery and create a safer world for all.

"Leave No Child Behind in the Fight Against Human Trafficking"

BY ELIZABETH MENGISTU

These days, human trafficking has become a widespread crime and the most lucrative business in every part of the world for those traffickers, who line their pockets at the expense of others.

Despite the concerted efforts by global agents to stop this terrible crime, human trafficking remains a pressing global challenge that disrupts the lives of millions.

Especially, the number of innocent children, young girls, and youth who are deceived by the deceitful mouths and blatant promises of traffickers and falling into the traps is increasing incessantly. In turn, the problem continues to affect millions of individuals, mainly, women, girls, and children worldwide.

According to a report by the United Nations Office on Drugs and Crime, (UNODC) on Trafficking in Persons globally, one in three victims of human trafficking is a child. Furthermore, children are twice as likely to face violence, during trafficking, than adults.

Regions such as Sub-Saharan Africa, North Africa, Latin America, and the Caribbean bear a disproportionate burden, with children making up 60% of detected

trafficking victims.

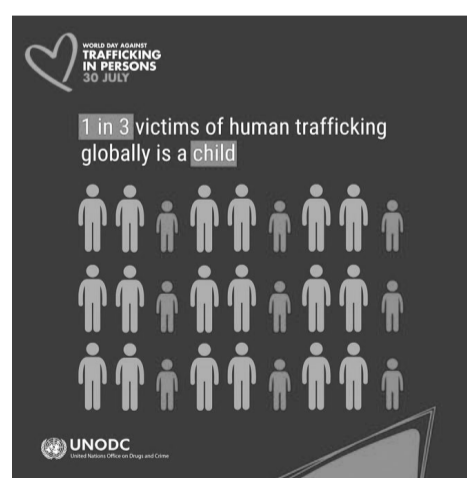
Consequent to the seriousness of the issue, the United Nations General Assembly declared July 30 as "World Day Against Trafficking in Persons to raise awareness, combat this growing widespread crime and urge for accelerated action to end child trafficking.

Lately, July 30, 2024, this year's International Day Against Trafficking in Persons was marked under the theme "Leave No Child Behind in the Fight Against Human Trafficking".

In his message regarding the day, Secretary-General of the United Nations, António Guterres, said "Human trafficking is a horrific crime that targets the most vulnerable in our societies. On this World Day Against Trafficking in Persons, we focus on the most vulnerable among us – children."

Mentioning that children account for one-third of trafficking victims, he said that children face unspeakable abuse – whether they are forced into labor, sold off as brides, recruited as soldiers, or coerced into criminal activities.

Rising inequalities and globalization have fuelled complex trafficking networks that challenge traditional legal frameworks,



creating new forms of slavery. Online platforms further expose children to sexual exploitation and gender-based violence; allowing traffickers to exploit victims across borders, he added.

"We must strengthen protection responses – including child-sensitive justice mechanisms, raise awareness, support unaccompanied children on the move, provide care for survivors, and tackle the root causes of exploitation by helping vulnerable families."

The Director General also urged governments, civil society, and the private sector, including tech companies, to intensify efforts and collaboration so that

no child is victimized and no trafficker goes unpunished. "On this day, let us renew our commitment to a future where every child is safe and free," he remarked.

IOM Director General, Amy Pope, also said that this year's theme, "Leave No Child Behind in the Fight Against Human Trafficking", highlights the critical need for inclusive and focused efforts to protect children.

As to her, inequitable social, economic, environmental, and political factors foster exploitative and discriminatory practices.

Combating trafficking in persons must remain an international priority with responses tailored to each country's context, following a whole-of-society approach and considering the complex interplay of individual, community, and societal factors that impact children.

The International Organization for Migration, alongside partners, is committed to facilitating pathways for regular migration, saving lives, and protecting people on the move, while driving solutions to displacement, as outlined in its Strategic Plan, she reaffirmed.

"By working together, we can create a safer world for all children and ensure that no child is left behind."

International

The PEPFAR Files: The Fate of the HIV Program

A guide to what's worked for PEPFAR and how to apply it to other global health security objectives

In its previous two articles, my series has made the case that the most recent reauthorization process for the President's Emergency Plan for AIDS Relief (PEPFAR) was affected both by unfounded accusations by some Republicans that the HIV program—the largest disease-specific foreign aid in U.S. history—paid for abortion, and by ambivalence or antipathy toward PEPFAR's approach, including on the part of agencies that struggle with data collection in other global health programs.

The series explores the circumscribed support from the White House, U.S. State Department, and the U.S. Agency for International Development (USAID), which consistently laud the program's work on its fight against HIV and other outbreaks and without comment on its mechanisms and their relevance to other programs. As discussed, PEPFAR supporters who fervently embrace its structure and strategy also keep a tight focus on the program's victories against HIV.

Selective public-facing praise for PEPFAR possibly eroded support for the program when it was most needed, resulting this March in a curtailed one-year authorization. It is also possible that a full embrace of the program's capacities and innovations would have short-circuited the Republican-led critique.

This final article does not seek to prove these assertions.

Instead, it offers a closing argument about what should happen, whether or not PEPFAR has been undermined by critics. PEPFAR needs a five-year reauthorization to support the HIV fight and to protect a unique modus operandi that may be crucial to future global health responses.

Such an assessment should not be used to design or launch a twin PEPFAR for global health security. In fact, the stakeholders interviewed by Think Global Health were nearly unanimous that another "big bet" was infeasible given current political divisions, competing climate and conflict crises, and the challenges in mobilizing major, bipartisan support for prevention investments where success means that nothing happens.

Instead, the broader thought was for a close examination of PEPFAR's core components to identify how they've affected budgeting, results, and meaningful civil society engagement. PEPFAR has lessons and approaches in these three areas that are not in operation in any other U.S. global health investment. Such an examination should look at the factors that enabled these impacts, including the program's organizational structure, budget size and flexibilities, and relationships with the executive and legislative branches of the U.S. government and with host country governments.

This readout should be a practical guide to



the PEPFAR elements that have relevance for other programs, identifying what's worked and explaining how to apply it to other global health security objectives. The goal would not be to find places where PEPFAR itself does more. Instead, it would be to ensure that practical approaches—including reporting tools, data platforms, and resourcing of social accountability mechanisms such as community-led monitoring—are identified and adapted when relevant to other health security areas, including but not limited to antimicrobial resistance, pandemic preparedness, and frontline health workforce capacity.

Such an analysis would be highly relevant to U.S. government investments in pandemic preparedness and response through the World Bank–housed Pandemic Fund, its formal Global Health Security (GHS) partnerships and related capacity-building work. Both entities rely heavily on the Joint External Evaluation (JEE), a two-part voluntary exercise that includes an internal country-led self-evaluation, as a basis for monitoring and reporting on progress.

Both the Pandemic Fund and GHS grants count success as maintaining or improving JEE scores. According to a U.S. government report, between 2016 and 2019, nearly 50% of the indicator scores for technical areas supported by GHS grants awarded by either USAID or the Centers for Disease Control and Prevention (CDC) did not change. Some 42% of indicators did show improvement.

The U.S. government does not control many of the factors related to indicator scores changes. Nonetheless, factors related to program design, policy environment, or implementation strategy that drive better (or worse) performance could be identified by regular analysis of program performance, outputs, and impacts using a common set of indicators and incorporating community evidence and analysis, which last PEPFAR does.

Such an indicator set, however, does not exist. USAID and the CDC, the two principal implementers of GHS programs, take different approaches to reviewing and acting on GHS progress reports. If a common indicator set existed and was used to evaluate programs, it could yield

insights that improved the impact of GHS investments and also point to ways to improve current approaches to evaluating pandemic preparedness, which one analysis describes as “collating, coordinating, and cobbling.”

Debate is considerable about whether the JEE is the right framework for tracking the results of pandemic preparedness investments, particularly given the lack of evidence that the JEE was predictive of any country's performance against COVID-19. The JEE uses external subject matter experts, many of whom come from the United States and Nordic governments, whose skills qualify them to implement a World Health Organization (WHO)–designed template and scope of work. It's a relatively closed system in which certain types of information and expertise are validated; those within the system have little incentive to argue for looking outside the WHO boxes. As the cited analysis concludes, the JEE can “lead to groupthink and the legitimacy of some conceptions of health emergency preparedness at the expense of others.”

Over the course of the HIV epidemic, PEPFAR's approach to data collection and management has enriched and evolved (and occasionally enraged) countries and partners where they were implemented. The JEE has recognized its inadequacies; PEPFAR has a wealth of experience with data-driven programming. It would be a waste of infrastructure and investment to leave this experience untapped as the United States advances a global health security agenda.

An indicator set developed with inputs from country partners and civil society groups and enriched by community-led monitoring could be implemented as a learning exercise to inform the United States' whole-of-government strategy for biosecurity. PEPFAR would be the precedent, not the platform. However, in some instances, existing approaches in PEPFAR countries could be repurposed or expanded, just as digital health platforms were during COVID-19. The current one-year reauthorization has jeopardized the program; without extension, valuable infrastructure could be dismantled.

History suggests that using PEPFAR-like

approaches to improve the information available about what U.S. government investments in pandemic preparedness could also garner more resources, even from a divided and distracted Congress. The relationship between Pandemic Fund and GHS investments bears some similarities to the Global Fund to Fight AIDS Tuberculosis and Malaria and PEPFAR. In both instances, the U.S. government is a major contributor to a multilateral fund and directs bilateral funding to programs with similar goals. In both cases, the former funds go to countries, the latter largely to U.S.-based or international organizations that then spend the funds in countries.

Over the years, PEPFAR funds have paid for programs that establish proof of concept or good practice for the HIV/AIDS response, that have then been adopted, expanded, or adapted via the Global Fund. Examples include PEPFAR's DREAMS program for adolescent girls and young women, pre-exposure prophylaxis (PrEP) provision and same-day antiretroviral therapy (ART) initiation. In each case, the U.S. government's bilateral initiative supplied and data that supported similar programming in far larger array of countries than PEPFAR operates. The U.S. Biosafety and Biosecurity Strategy mentions bilateral work but doesn't specify, as it could, a strategy that would use these bilateral investments to identify strategies that work.

It is hard to imagine sustained or expanded support for the Pandemic Fund or countries prioritized for bilateral U.S.-GHS investments among Republicans without something like this approach. The GOP has not moved too far past Senator Jesse Helms' assessment in January 2001 that foreign aid funds “bloated bureaucracy.” PEPFAR was a notable exception to this assessment in no small part because of the detailed accounting it provided for its funds.

Separating PEPFAR from its complex architecture and operations is like lauding the Apollo 11 moon landing without mentioning NASA. America loves heroes and individual legacies. George W. Bush will always be the author of this great story given its origins during his administration.

The details of how of PEPFAR succeeded, though, could have been obscured not only or even solely by hero worship, but also because the program broke the mold in ways that disturbed the U.S. development establishment. The effort to repair it may have influenced the Joe Biden administration's tepid embrace of PEPFAR during COVID-19 and the reauthorization process.

These are possibilities, not proven facts. Were the Biden administration to issue a full-throated PEPFAR with a five-year reauthorization and by proactively evaluating and adapting its constituent parts for other global health investments, it would undermine this argument. Nothing would be more welcome.

Source: [Thinkglobalhealth.org](https://thinkglobalhealth.org)

Verbatim and Caption

Ethiopia announces comprehensive macro-economic reform policy this week

On Sunday (July, 28), Prime Minister Abiy Ahmed (PhD) announced a national macro-economic reform policy reform. The objective of the macro-economic reform program is to correct foreign exchange distortions, reducing inflation, solving debt vulnerability, strengthening the financial sector and building a strong and sustainable economic system. Following the macro-economic policy reform, the National Bank of Ethiopia (NBE) on July 29 announced a reform of the foreign exchange regime with an immediate effect.

The Macro-economic Reform Program pro-poor: PM Abiy

Understand the Macro-Economic Reform Program Policy holistically rather than in isolation is critically important. The macro-economic reform is a huge and timely move to the economy. The approach of the reformist government is pro-poor and focused on supporting the most vulnerable. Still, the success of the reform depends on collaborative effort of all stakeholders.

For smooth implementation of the reform, law enforcement agencies are mandated to take action against malicious traders who artificially manipulate prices.

Prime Minister Abiy Ahmed (PhD)



The implementation of a market-based foreign exchange rate regime aiming to tackle longstanding economic structural problems

Ethiopia implements market-based foreign exchangerate regime: NBE Governor

The National Bank of Ethiopia announces the implementation of market-based foreign exchange rate regime, effective immediately as of July 29. The reform introduces a competitive, market-based determination of the exchange rate and addresses a long-standing distortion within the Ethiopian economy.

Ethiopia's foreign exchange reform is just one part of a wider package of economic reforms that are being implemented and accelerated over the coming months. The package of reforms—based on the country's Home-Grown Economic Reform Plan aim to restore macroeconomic stability, boost private sector activity, and ensure sustainable, broad-based, and inclusive growth.

Mamo Meheretu, National Bank of Ethiopia Governor said on a statement during July 29

Ethiopia's macro-economic reform attracts attention of development partners: Finance Minister



This week Ethiopia entered into a comprehensive macro-economic reform. Despite the reform is not new for Ethiopia as it has been implementing various reform measures since the Homegrown Economic Reform was crafted five years ago, the new freeform is welcomed by international development partners.

Following the reform, the World Bank and IMF announced financial packages for Ethiopia. The financial packages from the World Bank and the IMF will bolster the government's reform measures and ensure macro-economic stability.

Ahmed Shide, Finance Minister told the HPR on Thursday

The macro-economic reform unlocks finance, development cooperation: Planning Minister

Ethiopia has been taking reforms measures since April 2018. These reforms bring fruitful outcomes despite challenges. To overcome existing challenges, it demands comprehensive macro-economic reform and Ethiopia has already applied an ambitious macro-economic reform.

International development partners and financial institutions were demanding the reform to finance Ethiopia's development endeavors. Hence, implementing the reform is a timely action to sustain Ethiopia's development.

Immediately, following the announcement of the reform, financial supports and



loans starts flowing to Ethiopia and the financial flow is critical for the economic development. Ethiopia is ready to manage short-term impacts of the reform on low-income citizens.

Fistum Assefa (PhD), Minister, Planning and Development

Ethiopia macro-economic policy designed to attract FDI flow: Commissioner

The macro-economic policy reform designed to liberalize Ethiopia's economic structures and foreign exchange system are expected to stimulate Foreign

Direct Investment (FDI) inflows to Ethiopia.

Hanna Aryasellassie, Commissioner, Investment Commission

