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## Ethiopia's revenue hits 180 bln Birr in Q1

### • Reports 890 mln USD FDI

BY MESERET BEHAILU

**ADDIS ABABA**— The Ministry of Planning and Development (MoPD) announced that Ethiopia secured 180 billion Birr in revenue and attracted 890 million USD in foreign direct investment (FDI) during the first quarter of the current fiscal year.

In a presentation on the government's 100-day reform and economic performance, MoPD State Minister Tirumar Abate highlighted that the quarterly revenue achievement indicates the country's potential to reach its annual goal of 1.5 trillion Birr. Efforts over the past three months have focused on increasing agricultural productivity, foreign currency inflows, exports, and job creation.

"Establishing a stable macro-economic environment, enabling businesses and investments, and reforming public and civil services are core priorities," said Tirumar. She emphasized that these initiatives play a pivotal role in achieving the targeted 8.4% economic growth for this fiscal year. Integration across sectors is also crucial in sustaining macro-economic stability, she added.



See Ethiopia's revenue ... Page 3

Tirumar Abate

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### Scholar prescribe counter-diplomacy towards HoA's evolving geopolitics

BY YESUF ENDRIS

**ADDIS ABABA** – As Ethiopia continues to face threats from anti-peace elements, a political science scholar suggested the need to involve in counter-diplomacy to defend both national security and regional peace across the Horn of

See Scholar prescribe ... Page 3



### Czech Republic lauds Ethiopia's reforms

#### • Plans high-level visit to strengthen economic ties

Page 2

## Ethiopia on track to meet export goals

BY YESUF ENDRIS

The Ministry of Trade and Regional Integration (MoTRI) reported a significant rise in export revenue during its first-quarter performance review. This growth is attributed to macro-economic reforms launched at the beginning of the fiscal year, with government officials, including Prime Minister Abiy Ahmed (PhD), expressing optimism for continued success despite challenges in aligning GDP and export performance.

A key reform introduced was the shift to a market-oriented foreign currency regime, which now allows foreign investors to enter Ethiopia's wholesale and retail sectors. This change has boosted foreign direct investment (FDI) by 12% in the first three months compared to the same period last

See Ethiopia on track ... Page 3



**Gamo Dubusha: Indigenous knowledge and culture on community administration**

Page 7

**Cultivating strong cooperation with financial institutions**

Page 9

**Strengthening collaboration to reduce malaria burden**

Page 11



Amb. Miroslav Kosek

## Czech Republic lauds Ethiopia's reforms

• Plans high-level visit to strengthen economic ties

BY ESSEYE MENGISTE

**ADDIS ABABA-** Ethiopia's recent macroeconomic reforms are expected to address key economic challenges and boost investment, said Czech Republic Ambassador to Ethiopia, Miroslav Kosek.

In an interview with local media, Ambassador Kosek highlighted that the reforms implemented by Ethiopia in recent months are critical for resolving previous issues, especially those related to foreign exchange. "Although it will take time to fully transform the business environment, the reforms are the right decision and will motivate the economy," he said.

The ambassador also noted that the reforms aim to create a favorable investment climate and improve ease of doing business in Ethiopia. According to him, the reform will attract more investment and address long-standing challenges related to payments for services and sales.

"We discussed the reforms with Czech investors last month, and they expressed satisfaction with the positive changes," Kosek said. A high-level delegation from the Czech Republic is scheduled to visit Ethiopia soon to strengthen bilateral relations and explore new projects.

"The upcoming visit will include key political decision-makers, marking a new stage in the relationship between the two countries," he added. Kosek indicated that several Czech companies are already assessing the Ethiopian market and exploring potential opportunities.

The Czech Ministry of Foreign Affairs Director of the African Department Zdink Sebrova underscored the importance of fostering business-to-business cooperation. "We are looking at opportunities to expand trade relations, as Ethiopia could provide a better market for some of our products and services," Sebrova noted.

Ethiopia and the Czech Republic, which established official diplomatic relations in the early 1990s, continue to cooperate across various sectors, building on their longstanding partnership.

Ethiopia has made considerable efforts to attract foreign direct investment and has offered appealing incentives for anchor companies across the globe.

## Fitch upgrades Ethiopia's credit rating

BY MENGISTEAB TESHOME

**ADDIS ABABA -** Fitch Ratings has upgraded Ethiopia's Long-Term Local-Currency (LTLC) Issuer Default Rating from 'CCC-' to 'CCC+', citing a reduction in financial pressures and improved macroeconomic stability.

This upgrade represents a positive development, although the country's Long-Term Foreign-Currency rating remains at 'RD' (Restricted Default). According to Fitch, the upgrade reflects Ethiopia's ongoing efforts to implement significant economic reforms, particularly those initiated by the National Bank of Ethiopia (NBE).

In July 2024, the NBE adopted a market-based exchange rate approach, resulting in a depreciation of the official rate by over 50%, which has helped align it more closely with the parallel market rate. This change has minimized distortions in the foreign exchange (FX) market, enhancing transparency and stabilizing Ethiopia's economic outlook.

Additionally, the NBE has lifted restrictions on foreign exchange allocations for importers, increasing FX availability and promoting trade and investment. As part of its broader economic reforms, the NBE introduced a 15% interest-rate-based

monetary policy and initiated regular open market operations to improve the transmission of monetary policy.

In July 2024, the International Monetary Fund (IMF) approved a new four-year Extended Credit Facility (ECF) Arrangement for Ethiopia, featuring an immediate disbursement of 1 billion USD from a total of 3.4 billion USD in funding. This, along with a 3.75 billion USD disbursement from the World Bank, is set to reduce Ethiopia's reliance on domestic financing for its fiscal deficit, helping to alleviate financial repression and control inflation.

Fitch projects that net domestic borrowing will decline to 0.5% of GDP in 2025, down from 2.1% in 2023. The government's fiscal deficits are expected to narrow to 2% of GDP in 2024, although a slight increase to 2.7% of GDP is anticipated in 2025 due to rising expenditures, including a 1.5% GDP fiscal package aimed at supporting vulnerable populations and increasing public sector wages.

Ethiopia's strategy for managing debt includes converting 242 billion Birr in National Bank advances into long-term government securities and eliminating mandatory treasury bond purchases by commercial banks by 2025. This approach aims to minimize reliance on non-market-

based local financing.

While Ethiopia remains in default on its foreign-currency debt obligations, having suspended payments on a 1 billion USD Eurobond in December 2023, there has been progress in restructuring 15.1 billion USD in external debt under the Common Framework, with an agreement anticipated by year-end. Official international reserves, currently estimated at just above 1 billion USD in FY 2024, are projected to rise to 2.9 billion USD in FY 2025 and 4.5 billion USD in FY 2026.

Fitch believes that these fiscal and monetary reforms will contribute to stabilizing Ethiopia's economy, though it warns of increasing government borrowing costs, which are expected to reach positive real interest rates. This rise in costs may elevate rollover risks, making the next phases of economic management crucial.

Ethiopia's advancements in debt restructuring, particularly with major creditors like China, reflect growing confidence in its capacity to manage local-currency obligations without exacerbating ongoing restructuring efforts. As the country negotiates with commercial creditors, the success of these strategies could further bolster its objectives for economic stability and growth in the years ahead, according to the rating agency.

## Ethiopia expands export horizons

• Over 15 new products enter global markets annually

BY BETELHEM BEDLU

**ADDISABABA-** Government initiatives in the manufacturing sector have significantly boosted the annual introduction of new export items, according to the Ministry of Industry (MoI).

Industry Minister Melaku Alebel told local media that the ministry has undertaken various efforts to enhance the economic contribution of manufacturing industries and bolster their competitiveness in both local and global markets.

"In the past two to three years, industries have introduced more than 15 new items to the export market annually," the minister noted. Despite challenges, the government is working to further enhance production capacity and maintain growth momentum.

Ethiopia's exports now reach diverse destinations, including South Korea—once a source of imported textile and apparel. The minister also highlighted that several companies have entered Western and European markets, with one leather company earning recognition from the United States.

However, Melaku emphasized that investments in infrastructure, logistics,



Melaku Alebel

skilled labor, and financing are essential to make the country's manufacturing sector internationally competitive. "Our focus is on facilitating land access, improving infrastructure, and attracting reputable companies to invest in Ethiopia," he said.

Ethiopian Investment Holdings CEO Biruk Taye (PhD) echoed this sentiment, emphasizing the importance of enabling public enterprises to compete globally. "We encourage public enterprises to diversify services, expand geographically, and increase product offerings," he said, stressing the need to create an enabling

environment for such expansions.

Ethiopia currently hosts around 22 public and private industrial parks with ready-to-use facilities and adequate infrastructure. The "Let Ethiopia Produce" initiative and the implementation of economic zones have made the country a more attractive investment destination.

Minister Melaku pointed to a study showing that the economic contribution of manufacturing companies could be doubled by utilizing 80-85% of existing production capacity without launching new firms. "Our goal is to help industries reach 85% of their production capacity within the next ten years," he said.

Currently, only seven companies account for over 60% of Ethiopia's leather exports. The Ministry aims to increase industries' production to 60% to fill gaps in the export market, Melaku added.

The Ministry is actively supporting companies by identifying their potential—from high-impact game changers to smaller firms—and enhancing their capacity to meet market demands.

Ethiopia's manufacturing industry sector enjoys huge government attention and it is projected to take the lead on exports.

## Ethiopia's digital revolution sparks startup boom, job creation

BY MISGANAW ASNAKE

**ADDIS ABABA** – As part of the Digital Ethiopia 2025 plan, the number of startups in Ethiopia has surged from 50 to 950, benefiting entrepreneurs while generating jobs and expanding market access across the country, according to the Ministry of Innovation and Technology (MoIT).

MoIT State Minister Bayssa Bedada (PhD) emphasized the need for expanding critical infrastructure like energy to ensure broader access. "Energy expansion is underway in cities, and the telecommunications sector has also opened up with the entry of new operators," he said.

The introduction of additional telecom operators fosters competition, improves service quality, and enhances access to digital markets. "This development is also connecting online financial services and increasing mobile user engagement," he added.

The State Minister highlighted the significant role of startups in driving innovation. "The MoIT separated science, innovation, and technology sectors to provide targeted policy support, resulting in a dramatic increase in startups from 50 to 950," he said. Bayssa credited the government's commitment and policy reforms for this progress.

To further boost startups, the ministry offers incentives and training to enhance their revenue potential. He encouraged more youth to engage with the Digital Ethiopia 2025 initiative by developing new applications and digital solutions.

"Startups are not only solving problems but also generating income, providing fast and accessible services, and creating jobs simultaneously," the State Minister noted.

Amir Redwan, Co-Founder of the successful startup Chip Chip, shared his achievements in the agricultural sector. "We connect farmers directly with consumers, eliminating middlemen to offer affordable prices. So far, we've reached 70,000 customers and serve 3,000 orders daily with smooth transactions," Amir explained.

The Digital Ethiopia 2025 initiative continues to drive innovation, with startups playing a pivotal role in transforming the economy and offering sustainable employment opportunities.

MoPD's Economic Analysis and Policy Lead Executive, Habtamu Asefa, reported that Ethiopia secured 3.4 billion USD from loans and grants, with an additional 883 million USD from foreign remittances (*hawala*). Foreign trade contributed 1.5 billion USD from goods and 1.4 billion USD from services during the period.

## Ministry stresses establishing tourism zone to promote dev't

BY MISGANAW ASNAKE

**ADDIS ABABA** – Tourism State Minister Sileshi Girma suggested the need to establish a tourism zone in the capital to promote tourism and social development.

This was disclosed during a panel discussion held yesterday in connection with the Addis Ababa Tourism Week, organized by the Addis Ababa Culture, Art and Tourism Bureau under the theme: "Modern Addis Urbanism and Development."

Tourist destinations being built and renovated in Addis Ababa are reviving the tourism industry through attracting more domestic and foreign visitors, Sileshi said.

"The construction of modern and adequate centers designed to host conferences, exhibitions and meetings have enabled Addis to host big events, which is bringing a significant change in the city's economic development and tourism."

The increase in tourist influx in the capital city, according to the State Minister, is also attributed to the infrastructural developments intended to facilitate hotel accommodation, transportation



and green areas.

However, to ensure urban tourism development, Sileshi suggested that Addis requires establishing a tourism zone as it also help to promote social development.

Visiting, hiking areas are crucial in tourism and such activities necessitate identified routes. Therefore, he indicated that economic zone needs to be specified in a city as it is one of the major role players to city development.

Moreover, all tourist accommodations should be fulfilled to promote the development of the

tourism sector, he added.

"We can modernize the city by preserving existing culture as well as creating conducive living environment," Architecture Lecturer at Addis Ababa University, Dawit Benti said.

To this end, improving access to public transport and other infrastructures should get the primary attention. "Creating conducive and equitable living environment, providing smart services, developing green and blue infrastructures is necessary to make Addis a climate resilient city," he expressed.

## Ethiopia on track to meet...

year, according to the Ethiopian Investment Commission.

In the recent training organized for senior officials of prosperity party, Prime Minister Abiy emphasized the sector's improvement since his administration's reforms began. "Before the reforms, it took 15 years to raise export revenue by 1 billion USD. Since then, we have seen an increase of 1.4 billion USD in just a few years," he said. This year, the government targets 5 billion USD in export revenue, with 800 million USD already secured in the first quarter.

The coffee sector, Ethiopia's top export, played a key role in this success. During the first quarter of the 2024/25 fiscal year, coffee, tea, and spices generated 521.98 million USD from 115,851.77

tons-exceeding the ministry's initial target of 427.10 million USD from 83,294.25 tons. This represents a 46% increase in revenue and an additional 48,371.16 tons of exports.

If the 5 billion USD target is reached, Ethiopia will double its export revenue within seven years, showcasing the rapid growth achieved through reforms. However, challenges remain in fully harnessing the nation's export potential.

MoTRI's report highlighted strong performances from various sectors, including cereal, pulses, livestock, and gold. While these sectors have shown promise, the Minister Kasahun Gofe (PhD) urged exporters to capitalize on the favorable conditions and government support. To facilitate exports, the government extended operations to a seven-day workweek, reaffirming

its commitment to easing export processes.

State Minister Yasmin Wuhabrebi added that new directives, such as streamlined procedures for oilseed and pulse exports, are already yielding positive results. These reforms are set to further enhance efficiency and boost export performance, contributing to the country's ambitious revenue goals.

As Ethiopia builds momentum, officials remain confident that further incentives and directives will unlock more opportunities and sustain the nation's export growth trajectory.

Ethiopia's export sector is rapidly growing, focusing on diverse products like coffee, textiles, and spices. Economic reforms are enhancing trade efficiency and aiming for substantial revenue increases.

## Scholar prescribe counter...

Africa (HoA).

Speaking to the Ethiopian Press Agency (EPA), and Interaction for Change in Africa Director General and political scientist Worku Yacob (PhD) emphasized that Ethiopia is right now facing potential threats of national security and regional stability to some extent.

He highlighted the importance of the government responding actively to threats posed by anti-peace forces, particularly those originating from countries outside the HoA.

"Counter-diplomatic measures are more critical now than ever. Without them, these growing threats cannot be managed through diplomatic dialogue alone," Worku stressed.

He pointed out that Egypt has been attempting to destabilize Ethiopia and is now collaborating with its allies, who share similar agendas. This involvement is causing fractures in regional integration, with Egypt's active interference in the Horn of Africa, he added.

According to Worku, all countries in the HoA are unlikely to benefit from this growing trend of foreign interference.

He stressed that Ethiopia, situated at the heart of the region, must protect its interests through diplomatic channels, particularly by informing the international community about the realities on the ground.

He also noted that some governments in the

region are aligning with external powers to foster conflict, often without the consent of their own citizens. To counter this, Worku called for strengthened people-to-people relations to help neutralize potential threats.

While he does not foresee a direct military confrontation between Ethiopia and Egypt, Worku underscored the need for diplomatic efforts to address existing tensions and avert possible threats. "The government should continue informing the international community about Ethiopia's peace-loving stance and its desire to avoid such conflicts," he suggested.

He further stated that Ethiopia's diplomatic relations with neighboring countries must be carefully preserved.

## Ethiopia's revenue hits 180 bln Birr...

Revenue performance showed significant growth compared to the same period last year. The government collected 180.3 billion Birr in total, reflecting a 64.6% increase. Common revenue alone amounted to 17.8 billion Birr; representing a 61.2% increase from the previous year's first quarter.

Customs tax revenue exceeded expectations, generating 88.5 billion Birr against a target of 87.3 billion Birr, a 77.5% increase from the 49.56 billion Birr collected during the same period last year.

Habtamu also noted improvements in foreign currency management. The banking system recorded sales of 960

million USD and purchases of 652 million USD, narrowing the gap between official and parallel currency markets.

With these positive indicators, Ethiopia remains committed to fostering a stable macroeconomic environment and sustaining its reform-driven economic momentum.

# Opinion

## Ethiopia's pivotal role in reinforcing Horn of Africa amid rising threats

BY ADDISALEM MULAT

There are concerns that the unholy marriage between Egypt and Somalia has jumpstarted moving the Horn of Africa into uncharted waters for the simple fact that Al-Shabaab will be loaded up with quite a lot of weapons that can turn the lives of the inhabitants of the region into a living hell and upside down. In actual fact, the two nations have been doing everything they can to back the region into a corner.

Taking this concrete reality on the ground into account, the wider international community should stand by the side of Ethiopia and pull out all the stops to ensure peace and tranquility in the region standing against the evil deeds of the two nations.

It is certain that Ethiopia, the backbone of the Horn of Africa, has been playing a huge role in bringing about peace and tranquility in the length and breadth of the region fighting against terrorists' groups.

Unless all the global community stand in unison with Ethiopia, the future of the Horn of Africa will be hung in the balance and leave more questions than answers.

In point of fact, on the heels of the commitment and bravery of Ethiopian National Defense Force, the region has been enjoying a relative peace in defiance of hardships and in the midst of difficulties.

Despite the fact that Ethiopia has been sparing no effort to restore peace and tranquility in every nook and cranny of the region, Egypt has been bending over backwards to make the existing circumstance jump out of the frying pan into the boiling liquid and exchange a lesser evil for a greater one forming an alliance with Somalia.

Egypt's intervention in Somalia is posing unprecedented threat to regional stability in the Horn of Africa, Ethiopian Public Diplomacy Institute (EPDI) in Sweden President, Yassin Ahmed warned.

The president told ENA that Egypt was unable to contribute to peace keeping mission in its neighboring countries like Sudan and Libya; and could not even protect its borders from threats. Egypt's inexperience, rather history of failed peacekeeping missions, renders its efforts in Somalia futile, he recalled.

Yasin cited the absence of Egypt from the African continent for more than three or four decades and its utter failure to keep peace in its neighboring countries. The main reason behind Egypt's intervention in Somalia is its claim with regard to the Ethiopian Grand Renaissance Dam (GERD) and a vain attempt to create pressure on Ethiopia, he added.

"Sending weapons to Somalia, which is witnessing internal security challenges, can contribute to undermining security



Ethiopian national defense force - Wikipedia

within Somalia; because if these weapons are acquired by some terrorist groups they could pose serious challenge to the region."

If the two nations fail to divorce almost immediately, the Horn of Africa will end up exchanging one danger for a greater one and one difficulty for another. As nothing makes Egypt happier than moving the region into uncharted territory, it has been making every possible effort to effectuate increasingly broad range of procedures.

In the same way, if Egypt does not distance itself from this morally wrong act and infamous crimes, the region will be at risk of chaos. If the global community as a whole fails to give a wide berth to the region, the Red Sea route will be out of control posing a threat to the survival of most nations across the globe.

On the basis thereof, all nations utilizing the Red Sea routes should stand in unison against the two nations' evil acts before this goes any further and the situation goes from the deep end to the shallow end.

The Ethiopian National Defense Forces (ENDF) made unparalleled sacrifices to bring peace to the people of Somalia, Ethiopian National Defense Forces (ENDF) Chief of General Staff Field Marshal Berhanu Jula in the recent past stated.

Field Marshal Berhanu welcomed a battalion of ENDF which successfully completed its peacekeeping mission under the umbrella of the African Union Transition Mission in Somalia (ATMIS) in Ferfer Woreda of Shebele Zone, Somali State.

Upon receiving the battalion, Field Marshal Birhanu emphasized that Ethiopia sent its army to Somalia for several years prior to and following the resolutions passed by the African Union, and paid incalculable price to protect the Somali people from al-

Shabaab attacks.

Field Marshal Berhanu added that the battalion was well-harmonized to the people of Somalia and won their acclaim for its bravery throughout the peacekeeping mission, local media reported.

More to the point, on the basis of layers of conspiracies posed by Egypt, the Horn region directly or indirectly will be affected societally, politically and other things of a similar kind down the road.

In the same manner, the Horn of Africa will be a hotbed of terrorist groups that hail from various parts of the world. This reality on the ground through the passage of time will influence the relative peace and stability of the Horn of Africa and even beyond.

When the people of the region encounter challenges to survive in peace, they will be forced to migrate to Europe, America, Asia and other parts of the world. This in turn will bring about economic burden to the host nations almost immediately. Reasoning from this fact, they will be exposed to extra expenses which are beyond their set target.

No body denies the fact that Ethiopia plays a huge role in ensuring peace, stability, prosperity, security and more of the same.

The country has made massive sacrifices, mobilizing combatants, awarding martial and intelligence provision, and backing up in the area of capacity-building with a focus on fighting against terrorism.

In defiance of Ethiopia's crystal clear contribution, the country's adversaries have been making every possible effort to drag through the mud the positive strides witnessed in Somalia.

To everyone's dismay, Somalia in the present circumstances has set in motion denying the sacrifices paid by Ethiopians turning a blind eye to the unvarnished

truth. If it had not been for the country's active involvement, Somalia would not have reached where it is in the present day.

It is an undeniable fact that the Ethiopian National Defense Forces has played a paramount role in liberating a number of cities in Somalia and ensuring peace and tranquility. A lot of sacrifices have been paid.

Apart from its armed participation, Ethiopia has been expediting economic integration in the Horn of Africa and beyond.

In the face of encountering a broad range of internal and external encounters, Ethiopia has been fully engaged in consolidating peace and stability in the Horn of Africa.

In an exclusive interview with the Ethiopian Press Agency (EPA), an expert in International Affairs, Abdul-Rahman Ahmed (PhD), stated that Egypt has been perpetrating to affect Ethiopia's interests.

Egypt's involvement in the Horn of Africa pertained to instigating parties that oppose or in conflict with Ethiopia. This has become clear since the signing of the Ethio-Somaliland Memorandum of Understanding (MoU), Ahmed explained.

He noted that Egypt has never criticized the presence of 11 foreign military bases in Djibouti, Somalia, and other locations in HoA, but reacted immediately to Ethiopia's MoU with Somaliland which sparked a media storm. "Such responses from Egypt are not new when it comes to Ethiopia's development interests," he argued.

Egyptian experts, officials and media are actively campaigning against Ethiopia's cooperation with neighboring nations, which directly threatens country's interests.

As Egypt has a deep-seated hatred for the development of Ethiopia, the former more often than not has been coming up with layers of intrigues.

It is common knowledge that since the laying of the cornerstone for the Grand Ethiopian Renaissance Dam, Egypt left no stone unturned to halt its construction of the flagship project. However, through the determination of the federal government of Ethiopia and its people, it failed to make its dream become a reality.

Since time immemorial, Egypt has been working around the clock to destabilize Ethiopia utilizing myriads of conspiracies forming an alliance with its allies.

Nowadays, it is making an effort to destabilize the Horn of Africa region forming an alliance with Ethiopia's foes; the wider international community should stand by the side of Ethiopia before the entire situation goes from one misfortune to another.

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

# Editorial

## Brightening the future of digital economy in Africa

Alibaba Global Initiative (AGI) has signed an agreement with Digital Transformation Ethiopia Association (DTEA) for the establishment of a training center here in Addis Ababa. The agreement can be considered a big deal for both Ethiopia and Alibaba too as it has a potential to put a significant influence in the rapidly growing economy of the country and the parallel retail trade sector which is driven by the large scale demand for consumer items and online trade.

During the last few years Ethiopia has embarked up on a 10 year economic development plan that aims to speed up the socio-economic development of the country through, among others utilizing the opportunities availed by modern technology.

Digital economy is a vital aspect of the country's development plan. Accordingly the country has built and launched internet and telecom infrastructure which is increasing its penetration and coverage across the nation. Furthermore it is undertaking legal and economic reforms that allow the growth of the economy via the digital economic activity. Among such measures is the allowing of E-commerce in the country.

E-commerce is one of the advanced platforms that facilitate the trading of goods and services without the need for customers to waste their time and effort to travel to the market. It can also help create more jobs to the African youth.

Considering the large number of the country's population as well as the rapid rate of urbanization, it can be assumed that the country has an untouched potential demand for online business or E-commerce. Various actors in the private sector in Ethiopia have also ventured the trading of goods via E-commerce platforms. Still more companies and individuals have to come and join the business as the industry is in its adventitious level.

Yet, as the industry needs due support of expertise, experience, technology and finance, it is good to have the experience of giants in the industry like Alibaba. Hence, the training centers opening and the subsequent operation of Alibaba is a tremendous opportunity for those who opt to engage in the industry and benefit themselves, their people as well as the nation.

The government has also done a lot of work to fulfill the necessary precondition for smooth operation of the digital economy in general as well as the E-commerce in particular. Among such measures is the enabling of digital payment system in the country. Almost all banks and financial institutions support mobile banking, internet banking, mobile money and digital payment systems.

Many people are also becoming on board on digital payment systems as they are learning the benefits of the digital payment and transaction system. The country is also implementing swift intervention to build up the talents of its youth in digital economy. This includes the initiative to produce 5 million coders nationwide in the coming few years. This will contribute a huge number of trained human resources for the digital economy including the thriving E-commerce industry.

It is also gone encouraging steps forward in terms of introducing and applying artificial intelligence in sectors that need the technology. Hence, Ethiopia is the right place for running such a large international training center that aims to advance excellence in E-commerce. It can also learn a lot from the immense experiences of the globally renowned E-commerce giant Alibaba and put itself as one of the best centers of excellence in the field.

The coming of AGI in Africa in general must also be celebrated as it can play a big role in setting light for a fruitful development of E-commerce in the continent. Ethiopia is already a hub of trade, transport and tourism in the African continent. Opening of AGI's first training center for Africa here in Addis Ababa will pay off duly as it is situated among many continental institutions that have been reaping success over the years. Many other E-commerce and related giants should also join Alibaba and all other continental and global companies who have invested and succeeded here in the hub of Africa.

# Opinion

## Proactive, tactical economic reform in Ethiopia

BY GIRMACHEW GASHAW

Countries have been implementing various forms of reform to address the challenges they face. The recent outbreak of COVID-19, for instance, has significantly affected the world economy. Ethiopia, a country with a total population of over 120 million people, was not able to escape the economic challenges during this season.

During such a daunting challenge, the country identified various alternatives for the smooth operation of the economy to prevent the possible crisis. At this critical juncture, it was the first economic reform that helped the country devise a strategy to stand on its feet. Ethiopia was one of the countries that benefited more from the economic opportunities that COVID 19 brought to the world.

Any economic reform does not bring immediate solutions to long-standing economic challenges. Prior to the launch of the new economic reform program, the government of Ethiopia did not foolishly expect to miraculously change the bankrupt and unfixable economy.

At that time, implementing a new economic approach was not seen as a solution for the visionary government that was performing various miracles in its daily activities. In order to make the issue participatory, it was discussed with various stakeholders, leading to the development of a Homegrown Economic Reform.

A Homegrown Economic Reform Agenda is a comprehensive plan with primary objectives: ensuring macro-economic stability to sustain rapid economic growth, rebalancing the roles of the public and private sectors in the economy, and unlocking new growth potentials. Following the launch of the new economic reform, Prime Minister Abiy's Government made economic decisions and took measures on various mega projects that were previously sluggish due to poor management.

Projects like the Grand Renaissance Dam (GERD) were underperforming and draining the country's resources, requiring wise decisions from the government. The new government critically analyzed the issues and explored various options for improvement.

Thanks to the reform, significant progress has been observed in projects like the GERD, showcasing the positive impact of ongoing economic reforms. Once completed, the GERD will generate foreign currency for the country by exporting electric power to neighboring countries, strengthening cooperation and partnerships apart from responding to the high level electric power demand of manufacturing industries.

Indeed, without the homegrown economic reform, the country would have struggled to sustain itself. Previously, the country's economy was closed to foreign engagement, acting as a bottleneck. Now, international companies like Safaricom are entering Ethiopia and collaborating with the state-owned Ethio-telecom. This opening up of the economy is attracting more foreign investment and boosting the country's economic growth.

The homegrown economic reform has also addressed various challenges in the export trade system, attracting more investors to sectors like manufacturing and reducing unemployment rates. Ethiopia has seen significant earnings from exporting agricultural products like coffee, oil seeds, pulses, and livestock, as well as minerals like gold and tantalum. Despite internal and external challenges, the First Homegrown Economic Reform has been productive in various areas.

The second phase of the Homegrown Economic Reform plan will be implemented from 2024 to 2026. The additional national economic development plan is required to build a resilient economy that can withstand new challenges. One of the four pillars of the reform is strengthening and stabilizing the macro-economy.

Better resource mobilization, successful government spending, and investment governance are given much attention in the plan. The plan also focuses on sustainable debt management, realization of strict fiscal policy, financial sector reform, and accessibility.

Improving the investment and business environment is the second pillar of the reform. Improved market accessibility, swift logistics service, motivated macro-, small, and medium enterprises, as well as attracting quality FDI, are crucial to realizing the plan.

The third pillar of the reform focuses on increasing capacity, productivity, and competitiveness of sectors, with priority given to improving agricultural productivity and investment, better housing and construction development and investment. Additionally, enhancing mining productivity and investment, boosting export trade, image building, tourist destination development, and boosting the digital economy are all part of the plan.

Developing the implementation capacity of the government is the fourth pillar of the economic reform. Creating a capable and productive civil service, providing better service by overcoming mal-administration, and implementing coordinated civil service digital information management are vital to realizing the plan.

The World Bank is critically analyzing and providing financial contributions towards Ethiopia's ambitious homegrown reform agenda, including fiscal, financial, and monetary policies, as well as social safety net interventions, as part of the pro-poor reform measures.

The World Bank has expressed its commitment to support Ethiopia's efforts to establish a foundation for an inclusive economic recovery and transformation, aimed at benefiting all citizens of Ethiopia. It also assures its readiness to support Ethiopia's universal access to energy ambition and its national program in the human development sector, including quality of education and private sector development, in view of the current favorable environment for private investments.

Likewise, other development partners are expected to encourage Ethiopia's economic reform measures in order to make the second homegrown reform a reality.

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The Ethiopian Herald

# Business & Economy

## Ethiopia's digital economy contribution to steady fast growing GDP

BY ABEBE WOLDEGIORGIS

Ethiopia's digital economy could add over 1.3 trillion Birr to GDP by 2028, according to the Global System for Mobile Communications (GSM) new report, driving digital transformation of the economy in Ethiopia. The report highlights how telecom reforms and investments in mobile technology are catalyzing growth in key sectors such as agriculture, manufacturing and public services. These advancements are expected to create over one million jobs and generate an additional 57 billion Birr in tax revenue by 2028.

Recently, Ethio-Telecom with the cooperation of GSM organized conference focused on how digital technology propelled economic growth and transformation. The report on Ethiopia's digital economy performance also was presented.

On the occasion, Ethio- Telecom Chief Executive Officer, Frehiwot Tamiru, said that expanding mobile telecom network and service to the wide areas of the country is growing from time to time with updated technology. She further said that the endeavor, in addition to advancing connectivity, plays a crucial role in empowering the users, enhancing productivity and financial inclusion.

As to her, Ethio-Telecom, on top of expanding telecom service here in Ethiopia, has a broader plan to expand its activities on digitizing the African economy. She further said that the continent has an untapped market in these regard, and by exploiting the market, creating job opportunities for millions can be possible. Mobile connectivity is currently not a luxury; rather, it is a fundamental necessity, and reaching the underserved rural community through expanding digital technology is essential.

As public owned organization, in line with engaging in profit making business, it provides services with affordable prices and in the coming years the organization plans to assemble digital devices locally. It also made agreement with vendors to disseminate mobile devices to the rural population.

Among the services that can be obtained through digitization are mobile banking which enhanced financial inclusion, fast track connectivity, e-governance which serves for administrative purpose such as taxation and revenue collection through online system and expanding education.

Ethiopia's telecom reforms under the homegrown economic reform (HGER) program have driven major progress and by 2023, the sector contributed 700 Billion Birr to GDP and generated 57 billion Birr in tax revenues. Mobile internet connection grew by 65% with 4G coverage expanding eight fold. Key players, Ethio Telecom and Safari-com Ethiopia have been instrumental in driving this growth through expanded mobile internet access and increased competition in the telecom market.

By 2028, over 50 million Ethiopians nearly double today's figures are expected to be connected to mobile internet, according to the GSM report. Increased connectivity will drive growth across sectors like agriculture,



adding 140 billion Birr and manufacturing contributing 114 billion Birr by 2028.

The Safari com Ethiopia Chief Executive Officer Wim Vanhelleputte on his part said that, his organization is the first private operator in the Ethio-telecom business after the government liberalized the 130 years old public owned institution few years ago. Thanks to that initiative, he said that Safari com is now operating in Ethiopia and without that decision there would be only one operator in the telecom business. So as to him, his company has to be great full that it has been given the opportunity to rule out its services by stretching the infrastructure in Ethiopia.

He further said that like other countries and markets, there were some challenges the company faced which could be overcome but all over he said that he thanks the government policies and regulations which are conducive for doing business in simple way and made his company to be successful in Ethiopia.

As to the Chief Executive Officer, the company currently has six million customers after two years of operation. Asked whether competing with the public owned Ethio-Telecom challenging or not, the Chief Executive Officer said that the public owned company was privatized after 130 years of ownership and in the beginning, the company faced some challenges in terms of getting subscribers and stretching infrastructure because there was a capacity gap but as time passed, things became changed to the better and the company could provide its services both qualitatively and quantitatively and could penetrate the market. Currently, it is in a good position and the opportunities to work here also broaden the chance to do business.

Digitization is a key for advancing Ethiopia's vision 2025. Mobile technologies will boost productivity in agriculture and other sectors, creating new opportunities across the country.

Angela Wamola is head of Sub-Saharan Africa at GSM. As to her, Ethiopia is

well positioned to be digital leader in east Africa. By implementing strategic reforms and improving access to digital tools and services, Ethiopia can unlock unprecedented opportunities for economic and social development. This will benefit not only the economy but also millions of Ethiopians who stand to gain from greater digital inclusion.

She also said that sustaining investment in telecom to Africa is essential because no country should be left behind from such development. The continent has to be where it has to reach in terms of the gains to adopt the technology to the benefit of the people. Over the last 20 years, numerous efforts have been exerted to enhance the coverage of the digital connectivity. In the earlier years, 3G has been widely adopted and currently it rose to 90% coverage. Even though the challenge in terms of sustained infrastructure investment on research for adopting for 4G witnessed, Ethiopia is reached around 73% of the population coverage.

The majority of African population has access to the mobile technology but, due to various reasons, most of them are not using the technology sufficiently; mostly they use it for verbal communication. So if they are still at 3G this again hampers the attraction of foreign direct investment in the telecom sector. She further said that while the rest of the world reached to 5G the majority of Africans are still adopted 3G and 4G. The recently introduce of 5G technology in Ethiopia clearly shows the nation reached remarkable moment in that regard and helps to attract more private investment.

She also said that there will be hearing the first live commercial network of 6G in the near future so this again creates division between Africa and the rest of the world in terms of utilization of digital technology.

The provision of quality service to the customers directly related with the capital which should be invested in the sector. Hence, attracting local and foreign private investors is essential and to that end creating playing field conducive for competition is crucial.

Nevertheless, as mentioned above though 90% of the population got access to telecom infrastructure, they are not using it properly to services such as internet connectivity. No one shows interest to invest in the telecom business while the population shows less interest to purchase products supplied by the digital technology which needs internet connectivity. Because investment needs return and without profit no one dares to engage in such business.

As to her, therefore, side by side with investing in digital endeavor making the price of the devices and the service should be affordable to the ordinary citizens.

It is understood that most African countries are highly indebted and faced shortage of hard currency and asked whether they can afford the importation of digital technology, she responded that attracting foreign direct investment to the importation of the technology should be taken as a way out because FDI reduces the countries financial shortcoming.

Side by side with enhancing the digital connectivity, providing literacy to the public is vital. However, she underlined that unless demand is created for the utilization of the internet services, pulling foreign investment is impossible.

Angela also mentioned the role of digitization in increasing productivity in many sectors. As to her, small scale farmers in Africa can obtain information about agricultural inputs' prices such as fertilizer, pest and herbicides and selected seeds through mobile telephone; so that they can bargain in the market to purchase in fair price.

They also can supply their products to the consumers without dealing the matter with brokers and when they obtain profit, they reinvest the money on their farms. When their income increases from time to time, they start to practice irrigation system and in such manner they can harvest crops twice or three times a year. In such a way when wealth is created in the rural parts of the country, poverty can be reduced significantly.

# Art & Culture

## Gamo Dubusha: Indigenous knowledge and culture on community administration

BY MEKDES TAYE (PhD)

The way people live and the practices they frequently exhibit over time become the unique peculiarities of them gradually. Its accretion befitted to be their culture and part of their identity that segments them from other people in another location, the recurrent practice could become their identity marking them if it keeps them alive well and if the trend can be transferred to generations effectively. As scholars in the field argued most of African culture and customs are the compilation of years' experiences though some modifications are being made. Thus, in the process of examining the people of Africa, the logical approach that can bring effective results is if the real identity of the continent is taken as it is. The culture of the region indoctrinates the historical, spiritual, epistemological, social, economic, political, and philosophical scope of the people. Thus, in the move towards exploring the culture of a given nation, one can find it very significant and a preliminary source for setting up modern rules, regulations, policies, and various forms of management.

In the southern part of Ethiopia, Gamo Zone had its own cultural way of living and administering the people for centuries. Before the modern legal way of governmental administration, the area was peacefully administered in its cultural way. As in the modern legal process, the cultural 'court' is held at the special place called Dubusha; the cases, alerts, reports, calls, plans, and many other necessary issues are discussed and solved peacefully and respectfully. As *The Ethiopian Herald* identified from various sources, to manage the area effectively, the elders divided it into 42 partitions. Thus, they created 42 separate regions, which are locally called Deries. These divisions or cultural regions are distinctly led by different leaders or Halekas. Here one leader is responsible for one Derie or section. Then more than one Deries that covers some tribal similarities and geographical allocations are administered by a top hirarecial leader than their leaders. This leader is called the king or Kawo. Let me brief you about this magnificent culture that sustains respectfulness, peaceful administration and power transition.

As interviewed elders and researchers noted, Gamo Zone is culturally subdivided into 42 cultural administrations or Deries headed by Halekas. Under this leader, other leaders are deployed to take care of different issues. Among them, Huduga is the one. The responsibility of this leader is to follow up and point out the ongoing leadership of the Haleka. Here, as Haleka Malebo Mancha said, this leader is going to check whether the Haleka is working effectively or not, whether he is oppressing the people or not, whether he exploits the poor and those marginalized sections of the society, whether he shows preferential treatment or partiality for his friends and the like. This leader is supposed to detect the mentioned complaints and raise them for Haleka or the leader of Derie.

The other leader under the Haleka is Maga. These leaders' responsibility is to cautiously



Photo by: Hadush Abraha

follow up the happenings in the given village. They are responsible for solving problems in the village. If the challenges become complicated and need decisions that are out of their power, they will take them to the Haleka to be seen at that Dubusha.

The other leaders under Haleka are Segas. They are responsible for the safety of Dubusha. They are accountable for pulling out the bamboo that was polled on the field of Dubusha when the Meskel holiday approaches. They also look out for the preservation of the forest in that Derie. They are lifetime servers as, Kawo Tadesse briefed it to *Herald*. Generally, they detect all the happenings in their area and bring them to Dubusha for solutions.

On top of the Halekas of given Derie, there is a Kawo or king. This king is obliged to incorporate more than one Derie. At his position, he is obliged to manage the leadership of the Halekas under him. Cases that are beyond the power of Halekas are solved by him. No issue becomes beyond him.

The other power shared in the area is the power that is given to baby boys. As Haleka Malebo Mancha exclusive interview with *The Herald* showed boys that range between seven and nine years of age are going to be hired for a position called Kalona. The requirement for the selection is their belongingness to the well-acknowledged and respected tribe in the area. These boys are supposed not to be circumcised. They are seven and /or nine in number. As per the type of power they were assigned, their leadership could last for one or two years. The basic responsibility of these boys is to inform the community about the approach of Meskel holiday. They are also expected to protect the field of Dubusha from the gazing by making fences by bamboo trees and the like. As elders put it, these boys are equally respected by the community as the Halekas and others.

In the culture of Gamo, the leader of the community or Haleka is going to be elected if he has never committed any sin or misdemeanor before. He and his linages should be free of any form of unfair deed.

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**In Gamo culture, the admirable practice that shows how smart their knowledge is that this cultural administration is a 'constitutional' one. It had the platform that invited the ratification of the principles they adapt and follow**

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Thus, it is the people who consider and compare these things and elect the person. After the election, he had a power or resigning period. If he is the one who serves the community with honesty, fairness, and hard work, the people could allow him to keep leading for up to seven years. But if he is not capable of leading the community as expected, he could be deposed even within a year. Kawo Tadesse on his part said that when the given Haleka gets fatally sick, the people become serious about replacing him as fast as they can, because if he passes away, it will become culturally complex and time-consuming to elect another Haleka.

Since Haleka is considered the protector of the community, he is not expected to leave and even to spend a night away from his people. As Kawo Tadesse said, this leader should get back to his people as early as possible. If is absent for some reason as his exceeding task is his people, he is alerted of the ongoing issues of the people at any time, and he must be always ready to get to the areas of Dubusha when the people needed.

The king or Kawo is more powerful than Halekas. Thus, this Kawo leads more than one Derie. Issues that are beyond the power of Halekas are incorporated by each Derie and presented to the king for decision. As

Kawo Tadesse put it in his interview with *Herald* the appointed king is going to serve for three years. If his leadership is good and if the people need him to keep leading for another year, he could be elected for another three years. But he could not be allowed to lead additional years though he leads well. If the kingship is done based on heredity merit, the power does not have a termination period. If the king dies, his eldest son will take it over. He added that, if the king died, then the appropriate person would be immediately positioned before the formal announcement of the Kawo's death. This is because as Kawo said, the people should not be left out even for a minute.

As elders and researchers said, when the king finishes his formal leadership, he is going to serve the community by sharing his experiences with the newly appointed leader. He is a reliable source of knowledge and guidance to the leader.

In Gamo culture, the admirable practice that shows how smart their knowledge is that this cultural administration is a 'constitutional' one. It had the platform that invited the ratification of the principles they adapt and follow. Kawo Tadesse said that, for example, harmful practices in the community are going to be reconsidered based on the discussion made at Dubusha.

In this culture and knowledge, one can find that almost all necessary procedures in modern leadership are exceedingly formulated and adapted in the community. This had been infused for centuries and it could be the source for modern leadership. Gamo people live with it peacefully and respectfully even these days. Though governmental structures are stemmed there, the people are more inclined to their culture. Since the culture is about respect and peace, the governmental structure is not disturbed to function since the people already are enthusiastic enough which results from the culture and knowledge. Thus, in the process of creating functional laws and fruitful implementations, such indigenous knowledge and cultures need to be used as opportunities. Gamo culture, I believe, is rich enough to transform the nation into the dreamed destiny in many ways.

# Indepth

## Capacity building is key to Africa's digital sequencing success story

Christian Tiambo has always wished to uplift local farmers' communities through cutting-edge science. As climate change wreaked havoc on local agriculture, Tiambo, a livestock scientist at the Centre for Tropical Livestock Genetics and Health (CTLGH) and at the International Livestock Research Institute (ILRI), focused on conserving and developing livestock that could withstand environmental stress.

### Genomics, a game changer

Tiambo's research took an exciting turn when part of his PhD studies was to characterize and establish local poultry populations with interesting resilience potential. Yet, the need for local access to advanced genomic tools was a barrier to fully unlocking this potential.

Today, the power of digital data and sequencing information is transformative. It is driving the discovery of genes and innovation in agriculture through the identification and deep characterization of pathogens in plants and animals. That is helping scientists to breed livestock suited to local conditions and production systems, thereby benefiting local communities that have been custodians of genetic resources for generations.

But there is a catch: Africa, like other parts of the global south, is a genetic goldmine but has not fully capitalized on the digital sequencing information (DSI) derived from its genetic heritage. DSI is a tool that provides information for the precise identification of living organisms and allows the development of diagnosis tools and technologies for conservation in animals and plants. Besides, DSI is also used in investigating the relationships within and between species and in plant and animal breeding to predict their breeding value and potential contribution to their future generations.

Tiambo said DSI can be used to adjust the genotypes and produce animals with desired traits, adapted to local conditions but which have higher productivity.

A promising innovation has been the development of surrogate technologies in poultry, small ruminants, cattle or pigs—giving opportunity to local and locally adapted and resilient breeds to carry and disseminate semen from improved breeds in challenging environments.

"Farmers would not need to keep requesting inseminators and semen from outside their village," Tiambo explained, noting that this shift could dramatically improve livestock breeding, dissemination of elite genetics, boost food security and alleviate poverty in remote rural areas of Africa.

Global cooperation among stakeholders of the Kunming-Montreal Global Biodiversity Framework is key to establishing international guidelines on benefit-sharing from animal genetics resources and their associated information, including DSI.

Using genetics and associated traditional knowledge includes adapting specific livestock to specific environments. This contributes to the development of improved and elite tropical animal breeds with particular traits that meet community needs



*The International Livestock Research Institute is using genomics to breed livestock suited to local conditions and production systems to meet community needs*

to improve livelihoods, he said.

"Local livestock is not just for food but is our heritage, culture and social value," said Tiambo, adding that conserving livestock is conserving local culture, social ethics and inclusion, with gender aspects being considered. For example, the *Muturu* cattle and the *Bakosi* cattle in Nigeria and Cameroon are animals used in dowry; The Bamileke cattle remain sacred and maintain the ecosystem of sacred forest in part of the western highlands of Cameroon.

"I have never seen any traditional ceremony done with exotic chicken in any African village," he said.

Genetics and DSI, according to Tiambo, are "game changers" in breeding livestock with desired traits faster. What used to take five to seven years or more, he says, can now be done in just three or four cycles with the help of genomics.

ILRI has been working with the Roslin Institute, the Kenyan Agricultural and Livestock Research Organization and collaborating with the African Union-InterAfrican Bureau for Animal Resources (AU-IBAR), the National Biosafety Authority, farmer communities, and National Agricultural Research Systems (NARS) in Africa and Southeast Asia in the conservation and development of improved local chicken using stem cell technologies.

### Bridging the Capacity Gap

DSI needs infrastructure and human resources. "A lot of infrastructure, equipment and skills are coming from outside Africa, but how can we also generate DSI and use it locally?" Tiambo asked. He worries that without developing local capacity to harness DSI, "a lot of helicopter research will still be happening in Africa where people fly in, just pick what they want, fly out, and no scientists in Africa are involved in generating and using DSI."

Technologically advanced countries have often exploited these genetic resources, developing commercial products and services without clear mechanisms for sharing the

monetary and non-monetary benefits with local communities as ethics and common sense would require—an injustice that needs urgent correction.

The use of DSI on genetic resources is one of the four goals of the Kunming-Montreal Global Biodiversity Framework adopted in 2022 with the aim of stopping global biodiversity loss by 2030.

Thank God Ebenezer, bioinformatician and co-founder of the African BioGenome Project, argues that Africa must seize this moment to build and strengthen local capacity to produce and use DSI from genetic resources.

"The establishment of a benefit-sharing mechanism for DSI is a first step in the right direction and Africa needs to maximise even this first step by putting in a framework to generate and make use of DSI locally," Ebenezer told IPS, explaining that Africa needs to be able to do genetic sequencing on the ground with local scientists having the capacity to translate and use it.

The Africa BioGenome Project, of which Tiambo is also a founding member, is a continental biodiversity conservation initiative that has laid out a roadmap for how Africa can benefit from DSI and the planned multilateral fund.

"The main benefit comes from being able to use DSI and ultimately share it with the global community in line with the national and international rules and regulations," said Ebenezer. "Because if you cannot use DSI yourself, you will always feel like a supplier, like someone who gets crude oil from the ground and asks someone else to add value to it and gets several products."

"The multilateral fund is key," Ebenezer stresses. "If someone converts DSI into revenue, for instance, they're only looking at paying 1% back into the fund. Is that enough for the communities that hold this biodiversity?"

At COP16 in Colombia (Oct 21-Nov 1, 2024), world leaders will discuss mechanisms for fair and equitable sharing of DSI benefits,

a critical step for Africa and other biodiversity-rich regions. For example, Africa hosts eight of the 34 biodiversity hotspots in the world, according to the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES).

"In terms of the negotiation, we would like the DSI fund to be approved so that it's ready for implementation because this is an implementation COP," Susana Muhamad, Minister of Environment and Sustainable Development of Colombia and COP16 President-designate, told a press briefing ahead of COP16.

"We would like the decision of the parties to give the COP the teeth for implementation. One is the DSI," Muhamad said.

Astrid Schomaker, Executive Secretary of the UN Convention on Biological Diversity, is hopeful that COP16 will operationalize the multilateral mechanism for the sharing of benefits from the use of digital sequencing information in genetic research.

"We are going to look at that. And I think it's a very complex term and issue, but it is ultimately about how those industries, sectors and companies that use digital sequence information on genetic resources that are often located in the global south, but not exclusively, how they use it and how they pay for using it," said Schomaker, noting that COP15 agreed to establish a multilateral mechanism and a Fund for DSI.

The fair and equitable sharing of benefits arising out of the use of genetic resources is one of the three objectives of the CBD, including the conservation of biological diversity and sustainable use of its components. Target 18 of the CBD seeks to reduce harmful incentives by at least USD 500 billion per year by 2030, money that could be channelled to halting biodiversity loss.

The World Resources Institute (WRI), in a position paper, has urged COP16 to provide more finance and incentives to support nature and biodiversity goals.

There is currently a USD 700 billion gap between annual funding for nature and what's needed by 2030 to protect and restore ecosystems, the WRI said, noting that "many of the world's most biodiverse ecosystems—and biggest carbon sinks—are in developing countries that cannot save them without far more financial support."

The WRI commented that bringing in more private sector finance will require incentives, which can come from policy and regulation as well as market-based strategies to make investments in nature more attractive.

But this should not substitute for shifting harmful subsidies and delivering international public finance to the countries that need it most, WRI argued.

As the world scrambles to stop biodiversity loss by 2030, the upcoming COP16 discussions could be pivotal in ensuring that Africa finally benefits from its own genetic wealth.

(INTER PRESS)



# Law & Politics

## Cultivating strong cooperation with financial institutions

BY EYUEL KIFLU

Ethiopia has recently embarked on a transformative journey of macro-economic reform, a strategic initiative that promises to significantly enhance the country's development landscape. This reform aims to liberalize key sectors, including finance and telecommunications, thereby fostering an environment conducive to economic growth and prosperity. As Ethiopia positions itself as a key player in the African economy, the implications of these reforms are substantial, not only for its citizens but also for the broader regional context.

Recognizing some economic challenges, the Ethiopian government has initiated a series of reforms aimed at transitioning towards a more market-oriented economy.

During the recent G7 Africa Ministerial Roundtable, Ethiopia was represented by a high-level delegation led by Ahmed Shide, the Minister for Finance. This meeting served as a platform for discussing pressing financial issues, including debt sustainability, liquidity challenges and developmental initiatives across Africa.

Minister Ahmed Shide articulated the core objectives of Ethiopia's pro-poor economic reform program, which is designed to modernize the economy and shift the growth paradigm from public sector-led initiatives to a more vibrant private sector. This shift is crucial, as the private sector is often viewed as a more efficient engine for job creation and innovation.

The Minister highlighted core areas of the reform, which is to improve domestic resource mobilization, rationalize public expenditure and enforce fiscal discipline to ensure fiscal sustainability, manage debt to a sustainable level, pursue market-based exchange rate regime to correct distortions in the external balance of the economy, as well as improve institutional and sectoral frameworks to improve productivity, generate decent jobs and accelerate economic growth.

The need for international cooperation and concessional financing is critical, especially as Ethiopia navigates these ambitious reforms. Minister Ahmed emphasized that continued support from international partners is essential to meet the growing needs of developing countries.

It is recalled that in July 2024, Ethiopia secured a financial package through the First Sustainable and Inclusive Growth Development Policy Operation, totalling 1.5 billion dollars. This package includes a one billion grant and a 500 million dollars loan from the World Bank, aimed at bolstering the on-going economic reform initiatives.

The roundtable discussions highlighted the urgent financial challenges faced by many African nations, including Ethiopia. The continent is grappling with rising debt levels, exacerbated by external shocks such



**By implementing structural reforms and focusing on sustainable growth, Ethiopia is positioning itself to not only survive but thrive in a challenging economic environment**

as the COVID-19 pandemic and geopolitical tensions. The debt stock in Africa has increased dramatically, prompting many countries to seek alternatives, including requests for debt relief.

Ethiopia's proactive approach to managing its macro-economy could serve as a model for other nations facing similar challenges. By implementing structural reforms and focusing on sustainable growth, Ethiopia is positioning itself to not only survive but thrive in a challenging economic environment.

During the Washington D.C. 2024 World Bank and IMF Annual Meetings, Minister Ahmed also advocated for reforms within the Bretton Woods system to make it more responsive to the challenges faced

by developing countries. He called for the establishment of innovative financial safety nets to provide affordable liquidity during times of crisis. The need for a robust response mechanism is evident, as many developing nations struggle to access necessary resources during economic downturns.

Furthermore, he stressed the importance of scaling up the financing capabilities of multilateral development banks. He argued that low-interest, long-term financing should be made available to developing economies to avoid the trap of accumulating unsustainable debt. Ahmed added the need for quota, representation and governance reforms and adjustments in the IMF to ensure that emerging markets and developing countries can have access to adequate financing and decision-making power proportional to their economic weight.

As Ethiopia embarks on this ambitious reform agenda, the road ahead is not without challenges. The country must navigate internal political dynamics, regional tensions, and external economic pressures. However, the commitment to liberalization, private sector growth, and fiscal discipline presents a unique opportunity for Ethiopia to redefine its economic trajectory.

By fostering a vibrant private sector, Ethiopia can generate jobs, enhance productivity, and ultimately improve the living standards of its citizens. As the country has over one hundred and twenty million people, the country should navigate different alternatives for its development and the livelihood of its citizens.

Ahmed had a fruitful meeting with representatives from the International Finance Corporation and the Multilateral Investment Guarantee Agency (MIGA) on the side-lines of the 2024 World Bank and IMF Annual Meetings.

The meetings discussed Ethiopia's efforts and reforms to boost private sector investments, including recent opening of the retail, financial and other sectors to international investors.

Ahmed briefed the counterparts on the

implementation of the home-grown macroeconomic reform and the positive early signs of progress, including positive business sentiment from private investors.

The Minister expressed the government's commitment to further deepen efforts to boost private sector investment, including in the energy, manufacturing, logistics, and telecom sectors with the aim to foster sustainable growth.

The two agencies commended Ethiopia's efforts to create an enabling environment for investment while underscoring the importance of sustained efforts required further improving the investment climate and unlocking the full potential of private sector-led development.

The Minister requested the two agencies to scale up efforts to support private investments in Ethiopia taking into consideration the current favourable macroeconomic environment established for the private sector.

IFC's Managing Director Maktar has affirmed his commitment to continue leveraging IFC's technical support and mobilization of resources to support development endeavors in Ethiopia and expressed readiness to explore options in financing the new airport project development as well as rural development and agriculture initiatives in collaboration with other development partners.

Both IFC and MIGA expressed readiness and commitment to mobilize additional resources by leveraging all the different instruments, including the recently streamlined guarantees scheme available for the private sector.

The parties agreed to work closely to strengthen the partnerships, leverage more resources, and to jointly organize a high-level Foreign Direct Investment Roundtable workshop in Addis Ababa around January 2025.

Also, it is confirmed that the capital host the 23<sup>rd</sup> Horn of Africa Initiative Ministerial (HOAI) meeting in February 2025. The upcoming 23<sup>rd</sup> Ministerial Meeting in Addis Ababa is poised to critically assess the successes and prospects of the HoAI, aiming to further bolster the initiative's impact on promoting economic integration through infrastructure development, trade facilitation, investment, human development, and resilience among its member states, which include Ethiopia, Djibouti, Somalia, Kenya, Eritrea, South Sudan, and Sudan.

Since its launch in 2019, the Horn of Africa Initiative has successfully mobilized approximately US 11.8 billion dollars, significantly advancing the strategic pillars of the initiative and making substantial strides in regional integration and development. The forthcoming meeting in Addis Ababa is anticipated to be a crucial event, continuing the collaborative efforts to achieve sustainable growth and stability in the Horn of Africa.

# Women in Focus

## A journey towards finding inner call



Yordanos Guash

BY BETELHEM BEDLU

Her journey started with the field of journalism. She leads her life trying to respond to her inner deep thoughts and voices. Her interest in literature brought her to the habits of writing on exercise books and reading which finally led her to publish her own book while she made herself busy engaging in business.

She goes by the name Yordanos Guash. She is the owner of four companies. 'Quruh Advertising and Events' was the first company that she commenced her first steps in to business. She was only 17 when she started the business. 'Quruh' means beautiful in Somali language. She also advertised and organized events for different companies and individuals.

'ESB Secret' is her second company, where she sells beauty and cosmetics products. Yordanos has opened branches in different parts of the nation. The business-minded woman did not stop from securing other businesses, she then opened a restaurant named 'Melayek African Grills' that serves West African foods and promotes their culture and values.

Yordanos was born and raised in Addis Ababa, around an area customarily known as 'Autobus Tera' and lived in middle-income generating families. She went through different paths that contributed to the courage and strength she built today.

The loss of her father was a life changing situation not only for her but for the entire family as the father was the only breadwinner. Fortunately, they survived the situation by renting their house to people who fled from Somali State at that moment.

Living in a compound surrounded by the Somali people opened her eyes to so many situations. Yordanos was able to grasp their language quickly while she gradually learned how to make incense, perfume and soap that is skin friendly. More importantly, she learnt a lifetime lesson of being an independent woman from the independent Somali women who supported themselves with their own businesses.

She was brought up with a strict family to the point where she found it hard to manage the freedom she got when she joined Addis Ababa University. With the aim of achieving her childhood dream, she joined the Ethiopian Languages and Literature Department. During her stay at the University, she developed an interest of becoming a journalist.

"I had to hide myself behind literatures and movies as I was dissatisfied with the political intensity and chaos while I grew up. I believe that pushed me to develop an interest for art."

Recalling the other factors that contributed to her relation with literature, she said her grandparents used to make her read newspapers to grasp information about the political situation at the moment. However, her grandparents did not let Yordanos simply read the newspaper but they used to pay her for reading. That would make reading her first paid job.

Growing up, her driver father gave them a good life until he passed away in a terrible car accident. During the accident, not only they lost their father; but the entire saving that her father took to Assab, Eritrea to buy a vehicle.

The family then faced different forms of difficulty, from losing the breadwinner to their entire saving, from the money her father lent to friends to close relatives. They had gone through tough times to survive which made her question herself and her surroundings.

"While I was struggling to get out of hard situations, I have listened to comments like 'you can't do this', 'you are unable to accomplish this', and other negative comments, which tried to make me lose my self-confidence."

However, the confidence she built while living with Somalis helped her to engage in business at a young age by selling a few things behind her mother's back. She rented a small room and continued her business in the university by organizing events and collaborating with organizations. She was able to organize poetic nights and hosted events for different companies.

One of her best experiences was the

**It was after such a tiring journey that she was able to begin ESB Secret Beauty and cosmetics products. As a married woman with two children, she believed that the business would be led by her children in the future**

collaboration with the American Embassy where she took the role of distributing a magazine that focused on fighting terrorism across the nation along with over 230 students she hired to carry out the task.

After her graduation, Yordanos joined national television; hired as an anchor. However, once she started a production

on women, she failed to continue as the stories behind the women she interviewed disturbed her. Right after she resigned from national television, she published her first book entitled 'Lebuse T'ela' that she tried to pinpoint her philosophical view towards life in general.

When she found the scholarship to the United States of America and stayed there for two years, she was given the opportunity to live there permanently. However, she rejected the chance and moved back to her home country.

Instead of accepting the call from the USA, she decided to go to Ghana with an innovative mindset. While talking about her experience in Ghana, she said that she gained great knowledge and business skills. Meanwhile, she continued and expanded the beauty and cosmetics business that she learned about during her childhood by exporting materials from Ethiopia. She also took additional courses to support her business.

After returning to her hometown, joining the business was not easy. She said the system was not convenient, especially for those who are new to starting a business as it obliges them to pay taxes right away without settling into the business.

It was after such a tiring journey that she was able to begin ESB Secret Beauty and cosmetics products. As a married woman with two children, she believed that the business would be led by her children in the future.

Her business journey, as to her, was difficult due to the system. One of such challenges was the loan system that compels startups to bring collateral. Married women, especially, find it hard to meet such criteria as they get married straight from their families without being able to experience the business world. Thus, she suggested the critical importance of devising a system that encourages women to engage in business.

Using her social media accounts, Yordanos advocates about different issues that majorly develop the perception of citizens towards core issues. She also aspires to return to her former career, which is journalism.

# Society

## Strengthening collaboration to reduce malaria burden

BY MENGISTEAB TESHOME

In Ethiopia, malaria is highly seasonal and unstable with epidemic-prone transmission patterns in many parts of the country. High malaria-risk areas are mainly located in the western lowland areas of the country. A study confirmed that around 52% of the country's population is at risk of the disease as a result of the unstable and seasonal pattern of malaria transmission. The protective immunity of the population is generally low and all age groups are at risk of infection and disease.

According to a report from the Ministry of Health, the case is growing day out day in, where some lost their lives.

Of the affected areas, Wolaita Zone is the one. Accordingly, health professionals and leadership are working jointly and undertaking various activities to reduce the prevalence rate of malaria and control its prevalence within the community, especially in *Boloso Bombe* Woreda *Hejere Kebele*.

According to *Boloso Bombe* Woreda Administration Head Wajona Waza, since the past three months, concerted efforts have been exerted and multifaceted activities carried out to control the spread of malaria in malaria-prone areas.

Relevant health professionals were also assigned and the necessary medicines were supplied; targeting to improve the provision of health services. In general, the malaria protection and control efforts are smoothly carried out in a collaborative spirit with the community.

Asnakech Jorge, a Health Extension Worker at the Hejere Health Post, is actively engaged within the community and conducting door-to-door visits to identify and assist malaria patients. She measures, records body temperature and gives the necessary advice and guidance for the effective use of insecticide-treated bed nets (ITNs) to prevent mosquito bites.

Involving community members in the planning and implementation of malaria prevention programs is an effective work because it helps ensure that the strategies are culturally appropriate and relevant to the community and the area. As well as establishing systems for community members that could provide feedback on malaria interventions, allowing for adjustments based on their needs and experiences is practiced for the reason it is instrumental in malaria protection and control, she noted.

What is more, door-to-door visits and conduct health screenings are key to educating families about malaria prevention and distributing Insecticide-Treated Bed Nets (ITNs). According to her, through door-to-door visits and education, it is possible to work in collaboration with the community,



Communities in cleaning marshy places at Hejere Kebele



encourage families to keep their environments clean; and eliminate mosquito breeding sites.

Religious leaders, such as Priest Alemu, have noted the commitment of senior leadership at both the zonal and woreda levels to protect the community from malaria. This leadership is vital in mobilizing resources and support for prevention efforts.

Educational workshops are being carried out to further raise the awareness of residents about malaria transmission, symptoms, and prevention strategies.

According to Priest Alemu, tasks such as providing short-term training for local volunteers as community health workers to enable them to educate their peers, distribution of preventive tools, and delivery of basic health services are also underway.

He further noted that in a bid to enhance the community's engagement in malaria prevention, it is high time to put in place more efforts and strengthen partnerships for effective and sustainable outcomes. The community is participating in cleaning marshy areas that are havens for the spread of mosquitos.

"I am using Insecticide-Treated Bed Nets (ITNs). There is also a well-developed culture among the people in using ITNs. However, the provision is less than the demand; which calls on concerned bodies to increase the supply," he remarked.

In her recent statement, Health Minister Mekdes Daba (MD) emphasized the

urgent need for coordinated efforts among stakeholders to combat malaria in Ethiopia. With the disease remaining a significant public health challenge, she called on institutions to engage in action highlighting the importance of collaboration at multiple levels. The country has made notable progress in reducing malaria incidence and mortality rates over the past decade. However, challenges such as drug resistance, climate change, and insufficient access to prevention methods are still holding back the efforts exerted to eliminate the disease.

Mekdes (PhD) stressed that addressing malaria effectively requires a unified approach involving various stakeholders. The Ethiopian government is devising practicable policies and funding for malaria prevention and treatment initiatives. This includes ensuring the availability of diagnostic tools and effective medications in health facilities. However, malaria continues to pose a severe threat to public health in Ethiopia, affecting millions of people annually.

NGOs should play a crucial role in community outreach and education. Their partnership can help raise awareness about malaria prevention methods, such as the use of insecticide-treated bed nets and indoor spraying.

Collaborating with international health organizations can provide vital resources and expertise. These partnerships can help implement effective strategies based on global best practices.

**Involving community members in the planning and implementation of malaria prevention programs is an effective work because it helps ensure that the strategies are culturally appropriate and relevant to the community and the area**

Equally important, and as usual, community engagement is essential for understanding local challenges and tailoring interventions accordingly. Mekdes (PhD) encouraged community members to actively participate in malaria prevention efforts and report cases promptly.

The Minister also called for the adoption of innovative approaches to tackle malaria. Investing in research to develop new treatments and vaccines is critical. Engaging local universities and research institutions in the program can foster innovation tailored to Ethiopia's specific needs. Leveraging technology, such as mobile health applications, can enhance data collection and improve health service delivery, making it easier to track malaria cases and monitor treatment outcomes.

She finally noted that through fostering collaboration among government bodies, NGOs, local communities, and international partners, Ethiopia can make significant strides in reducing the burden of malaria and improving public health outcomes. It is high time for all stakeholders to unite in this critical battle against a disease that continues to affect countless lives.

In Ethiopia, the peak malaria transmission occurs between September and December, after the main rainy season from June to August. In addition, some areas experience a second minor malaria transmission period from April to June, following a short rainy season from February to March.



## Published Weekly in Collaboration with Haramaya University

### HU discusses Ethiopian diplomacy, regional politics

BY DIRRIBA TESHOME

Haramaya University (HU) College of Social Sciences and Humanities prepared a forum that discussed Ethiopian diplomacy and the regional politics. It raised that Ethiopia must get prepared to deal with both internal and external challenges it faces in its efforts to find access to the Red Sea.

Haramaya University Vice President for Administration and Development, Abdi Mohammed (PhD), said that international dynamic and complex interests have impact on countries; therefore, it is necessary to monitor the situations carefully.

He said: “The addition of new actors in the world and the existence of long-standing rivalries affect the interests of our country to get the benefits it deserves from abroad. Consequently, it is indispensable to monitor the situations and make appropriate efforts.”



Photo By: HU FB page

Abdi Mohammed (PhD)

He coined: Geo-political Competition in the Horn of Africa: its effects on the security and sovereignty of the nations in the region, and the strategies to be adopted by countries like Ethiopia to prevent the effects and to obtain important resources such as access to sea gate were the main points of the discussions in the forum.

Political Science lecturer at HU, Emru Gemchu (PhD), presented his research

that explained that since Ethiopia started the issue of the access to the Sea and the day after it signed a memorandum of understanding with Somaliland, various countries are working to weaken Ethiopia by creating a coalition. As a result, Ethiopia should prepare strong awareness platforms for its people to understand the truth.

He said that the intellectuals of the nation should also discuss, write and create awareness on the sea gate, cross-border water resources and other national issues to awaken the citizens and inform them on the facts.

Haramaya University Research Affairs Director, Derebachew Bekana (PhD), on his part spoke about the geo-political conflicts in East Africa, the conflicts in the country and neighboring countries, the looming war in Somalia, the problems caused by Ethiopia’s lack of a gate to sea and

the efforts it is making to find a sea gate and related issues.

Haramaya University College of Social Sciences and Humanities Dean, Mohammad Hassan (PhD), said that it is necessary to understand that the issue of the port is a matter of survival for both import and export trade takes place. “The college will arrange such a critical forum to transfer knowledge and the participants would engage themselves when required.”

In the same way, scholars who participated in the forum said that such forums for discussion and awareness creation will help to find ideas that can be used as inputs for national level works and policies. They also made critical discussion by raising ideas and questions that would be useful.

*(Translated from HU public and international relation directorate report)*



## Published Weekly in Cooperation with Dambi Dollo University

### DaDU’s banana variety seeds

BY DIRRIBA TESHOME

Dambi Dollo University (DaDU) is actively involved in the production of agricultural products, specifically a diverse range of fruits and vegetables. It does this through its Integrated Agricultural Research Center, which emphasizes the cultivation of various crops.

The center is recognized for cultivating various banana seed types, such as JIANT CAVENDISH, DUWARF, and GRAND NINE. These banana varieties are scientifically developed to thrive in the local climate and soil conditions, enabling each banana tree to produce as many as a thousand fruits.

These various banana seed types serve multiple purposes, benefiting the local community and being distributed across various districts within the Qellem Wallagga Zone. The banana seed products generated at the university’s Integrated Agricultural Research Center are yielding diverse outcomes.



Notably, these products are expected to significantly contribute to stabilizing local market inflation. The facility serves as a laboratory for agricultural students, facilitating the application of theoretical knowledge in a practical setting.

As it is widely recognized, the market conditions are fluctuating frequently within the country;

however, the center is crucial in maintaining market stability by offering competitive prices to the local community. Also, it is providing valuable employment opportunities for the unemployed residents in the area.

According to Soressa Shuma (Assistant Professor), DaDU Integrated Agricultural Research Centre Director, these distinctive

banana varieties could hold significant economic value owing to their unique traits. Cultivating seeds from these varieties can aid in maintaining their economic viability. For instance, a banana variety known for its exceptionally sweet taste may be more profitable compared to one with a milder flavor.

The university generates income from products derived from banana fruits. This initiative supports the university’s objective of attaining autonomy.

In summary, the cultivation of this particular variety of banana seeds presents numerous advantages. These include enhancing internal revenue, stabilizing market conditions, generating employment opportunities for the unemployed, and improving the community’s access to various banana resources. By incorporating these resources into their farming methods, the community members can enhance food production and harvest ripe fruit for sale, thus creating an additional source of income.



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260