Capital

THE PAPER THAT PROMOTES FREE ENTERPRISE

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EDR–CCECC pact powers Ethiopia's push into mega infrastructure

By our staff reporter

Ethiopia's Ethio-Djibouti Railway Share Company (EDR) is embarking on a transformative new chapter, using a landmark technical partnership with Chinese industrial titan CCECC to evolve from a railway operator into a comprehensive infrastructure powerhouse. The company's ambitious portfolio now targets mega projects, including the critical rail and highway network planned for the forthcoming Bishoftu International Airport.

Originally established to administer the vital cross border rail link, EDR is strategically evolving into a holding company to more nimbly manage its rapidly diversifying ventures. This pivot expands its mandate well beyond multimodal logistics and operations, pushing it into large scale civil engineering that encompasses port development and major

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READING DEFICIT IS A SILENT GOVERNANCE CRISIS

Walk into almost any government office, company boardroom or community meeting in Ethiopia and one unsettling pattern appears quickly: people talk, but very few have read the documents they are talking about. Reports, policy papers, manuals and strategies are printed in glossy form, ceremonially launched—and then quietly abandoned to shelves, drawers and WhatsApp groups. In a country with a rich oral tradition, word of mouth has become not just a cultural strength but an excuse for avoiding the hard work of reading, reflection and informed decision making.

This is not just a matter of taste. Ethiopia still struggles with low reading proficiency and a weak reading culture. Adult literacy hovers around half the population, and even among those who can read, sustained engagement with written material is limited. Studies of school performance show that many children reach the upper primary grades without being able to properly comprehend basic texts, which means the habit of careful reading is never formed. At the same time, the explosion of social media and short form content has conditioned many urban Ethiopians—especially youth—to prefer quick voice notes, videos and rumours over lengthy documents or books.

Yet the most troubling dimension of this reading deficit is found among those who most need to read: public officials and policy implementers. Research on policy formulation and implementation in Ethiopia repeatedly notes that laws, strategies and guidelines are drafted with considerable effort, but then poorly understood and weakly applied at lower levels of government. Policy documents are often not read carefully, objectives are not internalised, and frontline implementers default to "what we were told in the meeting" instead of what is written in the directive. The result is a chronic "implementation gap" in which ambitious reforms on paper fail to reach citizens in practice.

This culture of "tell me, don't make me read" shapes how information flows through the state and society. Many officials prefer presentations and oral briefings to detailed reports. Community members rely on hearsay about new policies rather than seeking out the source. Even highly educated professionals frequently react to rumours and social media posts without bothering to verify them against official texts. Studies of Ethiopia's media and information ecosystem show that a significant share of people now get their news primarily from Facebook, YouTube and messaging apps, where nuance is scarce and misinformation spreads faster than corrections.

It is important to acknowledge the historical roots of Ethiopia's oral culture. For centuries, knowledge and values were transmitted through sermons, stories, poetry, proverbs and songs—a sophisticated "orature" that still shapes how communities process information and debate ideas. Oral communication can be powerful: it is accessible across literacy levels, it builds relationships, and it can move people emotionally in ways that dense text cannot. The problem is not that Ethiopians talk too much, but that reading has not been elevated to its proper place alongside speaking and listening as a basic civic skill.

In a modern bureaucracy and complex economy, not reading has real costs. When civil servants sign off on projects they barely understand, when parliamentarians vote for laws they have not scrutinised, and when citizens accept or reject policies based on rumours rather than documents, the entire system drifts into arbitrariness. Studies of public service reform in Ethiopia show that unclear, unread or selectively interpreted policies lead to inconsistent implementation, local discretion detached from national priorities and frequent complaints that "the law is not being applied as written."

Changing this culture will not be easy, but it is possible. Organisations such as Ethiopia Reads and others working on literacy have demonstrated that focused interventions—reading rooms, school libraries, teacher training and community reading campaigns—can transform children's reading abilities within a few years. What is missing is an equivalent commitment to "document literacy" among adults, particularly in the public sector. Every major policy or strategy should be accompanied not only by a launch event, but by mandatory reading sessions, practical manuals and simple summaries in local languages that are actually discussed and tested, not just distributed.

Leaders also need to model the behaviour they wish to see. When ministers, directors and mayors demonstrably know what is in their own regulations, when they question subordinates based on actual clauses rather than vague "instructions," a new norm begins to form: that serious officials read. Universities and civil service colleges should treat careful reading and policy analysis as core competencies, not optional extras. Media outlets can support this shift by spending less time quoting speeches and more time unpacking what new laws and plans actually say, line by line, for the public.

Ethiopia's oral culture will and should remain a vital part of its identity. But a country that aspires to complex industrialisation, sophisticated diplomacy and accountable governance cannot afford a leadership class that skims, delegates or ignores written texts. The habit of relying solely on word of mouth might feel efficient in the short term, yet it quietly erodes institutions, undermines reforms and leaves citizens at the mercy of whoever controls the narrative that day. Reading is not a luxury; it is the foundation of modern citizenship. Until Ethiopians especially those in authority treat documents with the same seriousness they give to speeches, the gap between what is promised on paper and what is delivered in reality will continue to grow.

■ By Constantin von Hoffmeister

COMMENT

Multipolarity is not equality, and it shouldn't be

The new world order takes shape through pressure, rivalry, and the rise of several commanding powers, not through declarations of equality. Multipolarity emerges as a harsh contest of sovereignty in which only civilization-states with real strength shape events and the rest are pulled into the orbit of stronger powers.

Multipolarity has become the slogan of the age, repeated across summits and speeches. Leaders describe it as a world of balanced rights, dignified coexistence, and shared influence. They promise that each state, large or small, will hold an equal place at the table. They claim that new institutions across Eurasia, Africa, and Latin America will correct the distortions of earlier decades and bring the international system into harmony. Yet this polished language hides the structure beneath it. Multipolarity has no resemblance to equality. It grows from competition and is forged by the ambitions of states that refuse to live under a single command.

This year has shown how the world actually moves. Washington expands its military architecture in the Indo-Pacific, strengthens AUKUS, re-arms Japan, and pulls South Korea deeper into its missile shield. China continues its maneuvers in the South China Sea, tightens economic control over key supply chains, and conducts drills around Taiwan at a regular pace. India increases spending on its navy, builds alliances in the Middle East, and reinforces its positions in the Himalayas. Türkiye projects its power across the Caucasus and North Africa. Iran shapes conflicts from Lebanon to Yemen with the confidence of a state that understands its strategic depth. These actions illustrate the early shape of the new world: A landscape governed by pressure rather than courtesy.

A hard truth emerges from this global shift: Only civilization-states with real sovereignty withstand the weight of the new age of empires, and sovereignty today rests on two pillars: Strategic autonomy and nuclear weapons. States that lack these tools cannot claim neutrality. They become appendages of the nearest hegemon. Venezuela offers a clear example. Its oil wealth can delay collapse, yet it remains bound to the gravitational pull of the United States under the logic of the Monroe Doctrine. Its government talks of independence, but its fate is shaped in Washington as much as in Caracas. The same pattern defines Ukraine. It cannot inhabit a middle space between Russia and the West because it lacks the sovereign instruments required for this. It must align with one pole or the other. Multipolarity grants choice only to powers strong enough to enforce it; the rest operate inside a hierarchy they cannot escape.

This reality gives rise to the notion of Darwinian Multipolarity. The term describes a world in which might evolves through struggle, selection, and adaptation rather than through legal formulas or diplomatic etiquette. States survive when they build the institutions, capacity, and force required to defend their interests. They rise when they outmatch rivals in technology, resources, strategy, or will. They fall when they rely on declarations, treaties, or foreign guarantees as substitutes for strength. Darwinian Multipolarity explains why new centers of power appear, why old ones decay, and why equality remains a facade. It is a system shaped by competition among civilizational blocs, where only capable actors influence outcomes and where sovereignty belongs to those who can protect it.

Russia stands at the center of this transition. Its actions in Ukraine accelerated the collapse of the Western-led order, revealing the limits of US authority and the fragility of European power. Sanctions hardened Russia's economic autonomy rather than breaking it. New energy corridors were drawn across Asia. The ruble, the yuan, and local currencies gained ground in settlement systems once ruled by the dollar. BRICS expanded, drawing in states eager for a future beyond Western oversight. Across the Global South, governments publicly question the legitimacy of sanctions, lectures, and the West's claims to moral authority. Russia's role in this shift is unmistakable: It exposed the gap between Western ideals and Western conduct, and opened the path for a world with several centers of gravity.

International law, often presented as the solution to global disorder, plays no serious part in this transformation. It exists as a set of documents without force, invoked selectively by the very states that disregard it when interests demand otherwise. UN resolutions stall under vetoes. Human-rights reports are weaponized against some states and ignored for others. Economic rules collapse when Washington imposes extraterritorial sanctions or when Brussels rewrites trade legislation to protect its own industry. Maritime law offers guidance only until a navy decides to redraw the map. The fiction of neutrality collapses whenever power is exercised. Small states sign agreements proclaiming sovereignty, yet those agreements dissolve the moment a major power applies military, economic, or technological pressure. This is the reality that drives the new order.

The global centers of power are taking shape through action, not doctrine. The US retains its command across North America and extends its reach through NATO and its Pacific network. China uses its manufacturing strength to build corridors across continents and establish financial structures parallel to Western systems. India moves confidently into leadership positions across the Global South and builds its own security web in the Indian Ocean. Saudi Arabia balances between Beijing and Washington, buying technology from one and weapons from the other. Iran maintains resilience under sanctions and shapes regional outcomes. Russia strengthens ties from the Arctic to the Caucasus and from Central Asia to the Middle East. These centers create the architecture of multipolarity: Not orderly, not equal, but real.

Medium powers navigate this terrain with calculated choices. Vietnam deepens ties with the US while maintaining cooperation with China. Egypt buys arms from Russia and France, depending on which supplier meets its immediate needs. Serbia balances between the EU, Russia, and China, choosing whichever partner strengthens its position. Brazil talks of autonomy yet relies on Chinese trade and negotiates energy deals with the Gulf. Each of these states adapts to the truth that multipolarity rewards alignment and the willingness to choose strategic partners. Neutrality offers little, and dependency offers even less.

The logic that shapes this world is simple. Power concentrates. Regions develop leaders. Economies seek anchors. Security alliances expand. Technology becomes a lever of influence. Currency blocs form and dissolve. These pressures act on states every day. The collapse of Western dominance in Africa, the rise of Eurasian energy networks, the reopening of Middle Eastern diplomacy, and the shift of manufacturing away from Europe reflect the same pattern: Authority follows capacity, not signatures. Declarations of equality fall away when confronted by drones, pipelines, credit lines, ports, markets, and military bases

It is simply wrong to imagine that multipolarity will produce a calm balance between peers. A world with several centers of power generates rivalry, negotiation, and pressure. It undermines the old unipolar order only because new hierarchies rise in its place. Russia, China, India, Iran, Türkiye, and others shape their spheres according to their interests, and smaller states orient themselves accordingly. This pattern cannot be softened by appeals to an illusory international law or by promises of universal fairness, which has never existed in the history of mankind and never will.

The shift from unipolarity does not erase authority; it redistributes it. Multipolarity means the rise of several strong powers, each with its own alliances, red lines, and values. It replaces the dominance of one capital with a structured competition between many. This is the real order emerging from the present conflicts and economic transformation. It is harsh, disciplined, and grounded in the realities of strength. It is the world that follows when the illusion of Western universality collapses and the age of rival powers begins anew.

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SCAN ME

Djibouti Port ban puts Ethiopian MTOs in limbo

By our staff reporter

Ethiopia's critical trade lifeline through Djibouti is under immediate threat, as a fierce regulatory standoff has paralyzed the country's newly licensed multimodal transport operators (MTOs), with experts warning that only top level intervention between the two countries' leaders can resolve the crisis.

The Djibouti Ports and Free Zones Authority (DPFZA) has firmly barred the operators from its territory, contradicting Ethiopia's logistics liberalization drive and setting the stage for a high stakes diplomatic clash that observers say cannot be settled at a technical level alone.

This follows a recent DPFZA directive reaffirming a ban on licensed Ethiopian MTOs operating at the border—a move that has sparked considerable concern within the industry and derailed operators' plans to begin services by the deadline set by Ethiopian regulators. In a letter issued one month ago, the authority restated a position first communicated nearly twenty months earlier, casting renewed uncertainty over the prospects of the newly licensed firms.

Sources close to the matter told Capital that the dispute has been under review within relevant Ethiopian government offices since Djibouti's latest communication. Both private- and public sector representatives have voiced concern that the continued exclusion of Ethiopian MTOs from Djibouti would disrupt logistics chains that have relied almost entirely on Djibouti's ports for the past three decades.

They stress that the deadlock can only be broken through top tier engagement. "It is expected that senior leadership from both countries will discuss the matter, as dialogue has stalled at lower administrative tiers," one source said, noting that Ethiopia's Ministry of Transport and Logistics has decided Prime Minister Abiy Ahmed should raise the issue with Djiboutian President Ismail Omar Guelleh.

Sources in Djibouti add that operators there, united under their association ATD, are keen to acquire shares in Ethiopia's recently liberalized MTO sector. Experts point out that Ethiopia has opened its logistics industry to foreign participation in multiple forms, including joint ventures with local companies, arguing that Djiboutian firms could invest through Ethiopian entities rather than blocking the new licenses altogether.

Djiboutian authorities have also raised technical objections, including that the newly approved Ethiopian MTOs lack guarantees from recognized international insurers—a prerequisite for operating in Djibouti under its current rules. Sector players say they have been told the broader dispute could ultimately be resolved under a revision of a bilateral agreement signed by the two nations at the start of the millennium.

"The revision covers around fifteen points and could be time consuming. Therefore, the multimodal transport clause should be annexed separately to allow the new operators to begin work sooner," one source told Capital. Another observer added, "It is my understanding that Djibouti's primary aim is to protect its interests, not to completely halt MTO activity."

The conflict dates back to March 2024, when the Ethiopian Maritime Authority (EMA) granted MTO licenses to six new operators, ending the long standing monopoly of the state owned Ethiopian Shipping and Logistics (ESL). The reform was intended to introduce competition into a sector that includes operations in Djibouti—Ethiopia's essential maritime gateway as the world's most populous landlocked country.

The DPFZA responded swiftly. In a March 17, 2024 notice signed by Chairman Aboubaker Omar Hadi, the authority declared that Non Vessel Operating Common Carriers (NVOCCs) are not authorized to act as MTOs within Djibouti. It stated that Bills of Lading issued by NVOCCs are not recognized in Djibouti's ports and trade corridors due to concerns over their legal status, citing risks related to payment security, cargo tracking and financial accountability. Sector experts have criticized the stance, arguing that it conflicts with prevailing international maritime and trade practices.

In the wake of the initial fallout, senior Ethiopian officials visited Djibouti, and in May last year both nations agreed to form a joint committee to settle the dispute amicably. The committee was tasked with reviewing longstanding bilateral instruments, including the 2002 Ethio Djibouti Utilization of the Port of Djibouti and Services to Cargo in Transit Agreement. Experts note that the original multimodal framework from 2006 was negotiated at a time when ESL was the sole operator—a fundamentally different landscape from today's liberalized market with six new MTO licensees.

Despite these diplomatic efforts, the DPFZA's most recent letter, dated November 10 and addressed to the Ethiopian diplomatic mission in Djibouti, firmly restates its original position. The letter, which became public a week ago, asks the Ethiopian Embassy to convey the authority's clarification to relevant institutions in Addis Ababa.

It explicitly declares that an NVOCC does not own or operate sea going vessels and that, accordingly, a Bill of Lading issued by an NVOCC "is not recognized within the Djibouti Ports and Corridors" due to its legal status. The authority maintains that only Bills of Lading issued by vessel operating shipping lines acting as MTOs are legally valid for cargo movements within its jurisdiction.

This latest turn has become a critical priority for logistics players in Addis Ababa. Sources report that the newly licensed MTOs are now urging the Ethiopian government to broker a resolution—a pressing need given that the EMA has set an October 2025 deadline for them to begin operations.

The six companies awarded MTO licenses in March 2025 are Gulf Ingot, Panafric Global, Tikur Abay Transport, Cosmos MTO, Ethio Djibouti Railway Standard Gauge Share Company (EDR) and Ethiopian Railway Corporation. Notably, EDR—a bilateral joint venture—has been allowed to operate, leading other licensees to assume they too would be permitted to commence business. Some had already begun preparatory work for clients before Djibouti's latest letter surfaced.

Attempts by Capital to obtain additional comments from Transport and Logistics Minister Alemu Sime and EMA Deputy Director General Fraol Tafa were unsuccessful at the time of writing.

NBE EYES DIGITAL BIRR

By Eyasu Zekarias

The National Bank of Ethiopia (NBE) has begun formally studying Central Bank Digital Currencies (CBDCs) as part of a broader push to prepare the country's financial system for an increasingly digital future, even as it insists that cash will remain part of the monetary landscape for decades to come.

Governor Eyob Tekalign said the central bank is now examining possible models for a "central bank retail currency" and the implications of issuing a digital birr, in line with global trends where more than 100 countries are exploring or piloting CBDCs. He stressed that the work is still exploratory, noting that "we don't know exactly what it means, but we really need to study it," as central banks worldwide adapt to new forms of money, including stablecoins and other digital instruments.

According to experts, CBDCs are digital forms of a nation's fiat currency issued and backed by a central bank, designed to operate alongside cash and provide a regulated alternative to private cryptocurrencies and stablecoins. The NBE's draft National Digital Payments Strategy and the new central bank proclamation are understood to give the bank a mandate to issue and regulate such a "digital birr" as part of Ethiopia's wider Digital Ethiopia 2025 agenda.

Despite rapid growth in digital payments, Governor Eyob downplayed the prospect of a fully cashless society in the next two to three decades, citing Ethiopia's large informal and rural economy. He said the most likely outcome is a "hybrid and layered" system in which digital transactions grow exponentially while a "favorable environment" remains for cash, especially in segments where connectivity, literacy and infrastructure are limited.

Stablecoins led by technology firms are already emerging as de facto cross-border currencies, alongside instruments such as IMF Special Drawing Rights (SDRs) and regional currency initiatives like those discussed within BRICS, adding pressure on central banks to respond with their own digital options. Eyob warned that managing this shift is particularly challenging for regulators in developing economies, where they must balance innovation with financial stability, monetary sovereignty and consumer protection.

Supporters argue that a CBDC could expand financial access, improve the transparency of payments and strengthen the transmission of monetary policy, especially in countries where mobile and online payments are racing ahead of traditional banking. Ethiopia's policymakers see digital currency as one tool—alongside interoperability directives and expanded digital ID—that could help reduce cash usage and deepen formal financial participation.

However, analysts also warn that a poorly designed CBDC could concentrate data and oversight in the hands of the state, raising concerns about privacy and potential overreach in monitoring transactions. The governor has repeatedly highlighted cybersecurity, legal harmonization and data sovereignty as critical preconditions, saying the transition to a more digital economy "will bring a new level of difficulties" if domestic laws and systems are not aligned.

As digital payments increasingly flow across borders, Eyob said Ethiopia must strike a careful balance between using new tools to enhance regional and global connectivity and preserving sufficient control over its data and currency. He suggested that central bank digital currencies and ideas of easily convertible common currencies might eventually support African financial integration, but only once underlying issues like regulatory convergence, convertibility and governance are addressed.


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BANKS ASSET IN BILLION ETB AS OF JUNE 30, 2024

Abay Bank:	66.4	(21%)
Addis Int'l Bank:	15.4	(22%)
Ahadu Bank:	6.4	(107%)
Amhara Bank:	35	(24%)
Awash Bank:	282	(26%)

Rammis Bank posts first-ever profit, marks milestone in Ethiopia's Interest-Free Banking Growth

By Eyasu Zekarias

Rammis Bank, one of Ethiopia's pioneering full-fledged interest-free financial institution, has announced its first-ever profit since inception, marking a historic milestone for the country's Shariah-compliant banking industry.

The bank reported a pre-tax profit of Birr 16.7 million for the 2024/25 fiscal year, driven by robust growth across key financial performance indicators, including an exceptional 173% surge in customer deposits and a major leap in digital banking adoption. The result represents a 106% increase compared to the previous year, signaling strong momentum in Rammis Bank's operations.

According to the bank's annual report, total assets climbed to Birr 4.3 billion, an 85.1% year-on-year increase, while customer deposits reached Birr 2.74 billion, up from Birr 1 billion last year. The number of savings accounts nearly doubled, rising from 182,126 to 351,800, a 93% increase that underscores the bank's growing acceptance among Ethiopian consumers seeking interest-free financial services.

The bank's total financing portfolio expanded by 1,686% to Birr 1.29 billion as of June 30, 2025—up from Birr 72.2 million the previous year. This remarkable growth, the report noted, reflects Rammis's strong commitment to supporting productive investments through Shariah-compliant financial products.

Emphasizing its prudent risk management, Rammis Bank maintained a non-performing financing (NPF) ratio of just 0.3%, one of the lowest in the industry. "Maintaining strong portfolio quality through effective monitoring and collaboration with clients has positioned Rammis as a trusted financial partner," said Rabi ShekHussien, Chairman of the Board of Directors.

The bank's total operating income soared by 3,726% to Birr 402 million, largely driven by income from Murabaha financing, which contributed Birr 220.3 million. Additionally, the bank generated USD 20 million in foreign currency, strengthening its trade facilitation role within the economy.

Rammis also made bold advancements in its digital transformation agenda. Within just one month of launch, the bank's mobile application attracted 2,893 users, reflecting swift market adoption. To enhance its digital capabilities, Rammis invested in advanced IT infrastructure, including a new enterprise-level firewall and full implementation of its core banking and customer service management systems.

Chief Executive Officer Ali Ahmed attributed the bank's success to disciplined strategy execution amid significant macroeconomic transitions, including Ethiopia's shift toward a market-based exchange rate and gradual liberalization of the financial sector.

He added that the interest-free banking industry at large has benefited from recent policy measures, such as the National Bank of Ethiopia's decision to lift lending limits for Islamic banks—a reform expected to further expand their financial inclusion role.

"This profit is not our destination, but rather a strong foundation for the path ahead," the Board stated. "It's the solid floor upon which we intend to build even greater successes and maximize value for our shareholders."

Hibret Bank profit crashes as legacy decisions haunt new management

By our staff reporter

Hibret Bank S.C. has posted a net profit of only 23.5 million birr for the 2024/25 financial year, a collapse from more than 3 billion birr a year earlier, with the new leadership implicitly blaming policy missteps and risk-taking under the previous administration for the dramatic downturn, even as peer banks announce multibillion-birr profits.

According to the bank's audited financial statements, profit before tax fell to 749 million birr in 2024/25, down from 3.08 billion birr in 2023/24, while net profit crashed to 23.5 million birr after a hefty tax charge. This reversal comes in a year when other major private banks in Ethiopia have reported strong double digit profit growth and have declared significantly higher profit figures in nominal birr terms, underscoring how Hibret has underperformed its peers despite operating in the same macroeconomic environment.

The report shows that total revenue actually grew by 26.6 percent to 16.74 billion birr, but this was overwhelmed by a 57.6 percent surge in total expenses to nearly 16 billion birr, eroding the bank's earnings capacity.

"While the board's narrative is measured, the numbers highlight the consequences of decisions taken under the former administration, particularly in foreign currency management and balance-sheet positioning ahead of Ethiopia's move to a floating exchange rate in July 2024,"experts, who saw the annual report, told Capital.

The bank booked a foreign-exchange revaluation loss of 3.76 billion birr during the year—linked to a mismatch between foreign currency assets and liabilities—more than wiping out the benefit of strong income growth and pushing profitability to the brink.

Analysts say such a large open position suggests that earlier management did not adequately hedge or rebalance exposures in anticipation of liberalization, leaving the new leadership to absorb the full impact once the regime changed.

In addition, the sharp rise in operating and interest expenses points to cost structures and funding strategies inherited from the previous team that were not aligned with a more volatile, market based environment.

The board's report reveals that a Crisis Management Committee was set up during the year and that a new chief executive officer was appointed in August 2025 to spearhead corrective measures and restore profitability.

Management has begun tightening cost controls, recalibrating the branch network by closing loss-making outlets, and prioritizing risk management to stabilize earnings after the foreign-exchange shock.

Despite the profit slump, Hibret expanded deposits to 92.68 billion birr and grew its loan book to 79.33 billion birr, signaling that the franchise remains commercially viable if legacy imbalances can be corrected.

The bank's capital base, with paid up capital of 8.12 billion birr and a risk weighted capital adequacy ratio of 11.7 percent, continues to sit above regulatory minimums, giving the new leadership some room to work through inherited losses.

At upcoming general meetings, shareholders are expected to demand clearer accountability for how profit fell from 3 billion birr to near break-even in just one year while competitors surged ahead.

Many will likely question the previous administration's foreign currency strategy, cost discipline and readiness for regulatory shifts, arguing that these legacy choices are now constraining dividend prospects and depressing returns on equity.

For the new management, the challenge will be to convince investors that the worst of the cleanup is behind the bank and that, with tighter governance and a more cautious risk appetite, Hibret can rejoin the ranks of Ethiopia's top earning private banks in the coming years.

Your paragraph is already clear and well-structured, but I've refined it slightly for consistency, tense accuracy, and smoother flow while preserving your journalistic tone:

It is recalled that Melaku Kebede stepped down as CEO of Hibret Bank in August 2024 after serving in the role for four years.

His unexpected resignation came just three weeks after the government launched a major macroeconomic reform program, which included floating the foreign exchange rate to allow market forces to determine its value.

The departure also followed a period of considerable difficulty for Hibret Bank, which had been adversely affected by a substantial net open position.

This performance stood in sharp contrast to most other financial institutions, including newer market entrants, which reported strong operational results during the first year of the reform period.

OVER 62% OF SIDAMA'S CULTIVATED LAND AFFECTED BY SOIL ACIDITY

By Eyasu Zekarias

The Sidama region is facing a major agricultural productivity challenge as over 62% of its cultivated land has been affected by soil acidification, according to new data from the regional Bureau of Agriculture.

Out of 153,000 hectares of cultivated land, approximately 95,000 hectares are now categorized as acid-affected, severely reducing crop yields and threatening the livelihood of thousands of farmers. Officials say soil acidity has become one of the most pressing barriers to achieving the government's agricultural productivity targets.

"The transformation of our agricultural system—toward higher productivity and efficient input use—is a top priority," said Memmiru Moke, Head of the Sidama Region Bureau of Agriculture. "But the biggest problem preventing progress remains the supply and use of essential inputs like fertilizer."

Moke noted that over 7 million hectares of land across Ethiopia are affected by acidity, out of the country's estimated 32 million hectares of arable land. Of this, around 3 million hectares are considered strongly acidic, rendering them virtually unusable for crop cultivation.

He explained that while the government plans to strengthen fertilizer production through a domestic plant expected to be operational within five years, the shortage remains severe. "We currently depend on imported fertilizer, and until local production begins, supply challenges will continue to constrain farmers," he added.

To address the problem, the Sidama region has turned to the application of lime, a soil amendment that neutralizes acidity. However, demand far exceeds supply. The region requires about 120,000 quintals of lime per year to treat acid-affected farmland, but only 80,000 quintals were supplied during the 2024/25 fiscal year—at a cost exceeding 60 million birr.

Transport costs remain a major hurdle. "It takes roughly 30 quintals of lime per hectare, and moving such heavy material to remote areas is expensive and labor-intensive," Moke said. He added that limited purchasing interest from lime-producing enterprises, mainly cement factories, has further worsened the supply shortfall.

Despite these challenges, initiatives are underway to restore soil health and promote sustainable farming. Recently, OCP Ethiopia, in collaboration with the Sidama Regional Agricultural Research Institute (SiRARI), showcased OC-MASSA, a newly developed phosphate-based fertilizer tailored to Ethiopian soils, during a demonstration on a 10-hectare site in Hula district's Luda kebele.

According to Marouan Mortabit, Senior Vice President for East Africa at OCP Nutricrops, the initiative aims not only to improve soil productivity but also to open new economic opportunities for farmers. "By adopting smart farming and climate-conscious practices, smallholders can now participate in the global carbon credit market, turning sustainability into a new source of income," he said.

Mortabit emphasized the importance of science-driven solutions, noting that "over the past five years, OCP Ethiopia and its research institutions have developed fertilizer blends customized for Ethiopia's acidic and nutrient-deficient soils." This year alone, 4,500 metric tons of OC-MASSA were produced and distributed to more than 18,000 farmers.

Experts warn that soil acidification is becoming a nationwide concern. The Agricultural Transformation Institute (ATI) estimates that 43% of Ethiopia's total arable land is now affected by acidity, particularly in the northwestern, southwestern, southern, and central highlands—areas receiving heavy rainfall.

Scientists explain that intense rainfall washes away vital minerals such as calcium and magnesium from the topsoil, leaving behind highly acidic layers that reduce fertility and hinder crop growth. As climate change intensifies rainfall variability, researchers caution that the problem could worsen without coordinated national soil rehabilitation programs.

BANKS ASSET IN BILLION ETB AS OF JUNE 30, 2024

Oromia Bank:	Ramis Bank:	Shabelle Bank:	Sidama Bank:	Siinqee Bank:
68 (4%)	2.3 (64%)	3.8 (2.6%)	2.6 (98%)	60 (72 %)

UNFPA warns of deepening health funding crisis for Women and Girls

By Eyasu Zekarias

Ethiopia has been thrust into the ranks of the world's most underfunded crises, with the United Nations Population Fund (UNFPA) warning that a severe health-financing gap is putting millions of women and girls at risk and appealing for 42.1 million dollars by 2026 for life saving services.

In its 2026 Humanitarian Action Overview, UNFPA lists Ethiopia as the eighth largest country appeal globally, seeking 42.1 million dollars for sexual and reproductive health (SRH) and gender based violence (GBV) services—a sharp increase of more than 38 million dollars compared with its 2025 country request. The agency links the higher needs to overlapping, protracted conflicts, climate driven shocks and weakening protection systems that are hitting women and girls hardest.

UNFPA notes that chronic underfunding has already forced it to scale back or suspend critical SRH and protection programmes, leaving "millions of women and girls" worldwide without access to safe deliveries, emergency obstetric care, contraception and GBV support, with Ethiopia a stark example of this trend. In 2025, its Ethiopia humanitarian plan sought 38.1 million dollars but had received only about 4 million dollars by mid year—barely 10 percent of the requirement—underscoring how far resources have fallen short.

UNFPA's Executive Director, Diene Keita, has warned that cuts translate directly into closed clinics, surgeries without anaesthesia and survivors of rape turned away without support, describing the situation as one where "the world's most vulnerable have their lifelines hanging by a single thread." The agency stresses that SRH and GBV services are "non negotiable, life saving pillars" of humanitarian response and must be in place from day one, alongside food, water and shelter.

In Ethiopia, UNFPA highlights a convergence of crises—conflict, climate change, displacement and a large, restless youth population—that is driving up demand for services. Recurrent droughts and floods are displacing families, deepening hunger and further degrading already fragile health systems, with each disruption amplifying pre existing gender inequalities.

Ethiopia's plight is compounded by the escalating emergency in neighbouring Sudan, which tops UNFPA's 2026 appeal list at 116.5 million dollars. Nearly three years of war there have triggered famine risks, disease outbreaks, the collapse of basic services and widespread, often systematic, conflict related sexual violence against women and children.

UNFPA estimates that 7.3 million women and girls of reproductive age in Sudan, including 1.1 million pregnant women, require urgent assistance, while up to 80 percent of health facilities in conflict affected areas are closed or only partially functioning. Ethiopia, already hosting large refugee populations from Sudan and other neighbours, faces additional pressure on its strained humanitarian and health systems.

The funding crisis is not limited to UNFPA. UNICEF's 2025 Humanitarian Action for Children appeal for Ethiopia sought 493.3 million dollars but had secured only 77.3 million dollars by mid 2025, leaving an 84 percent shortfall of more than 415 million dollars. The largest gaps hit water, sanitation and hygiene (WASH), child protection, nutrition and health, where funding deficits of 83–90 percent are putting life saving services at risk for children and their caregivers.

Humanitarian partners warn that without rapid, scaled up funding across agencies, Ethiopia's already fragile progress in reducing maternal mortality, preventing GBV and protecting children could unravel, deepening a crisis that is increasingly driven not only by needs on the ground but by shrinking resources to meet them.

EDR–CCECC pact . . .

Continued from page 1

railway construction.

A tangible first step in this expansion is the three kilometre spur line now under construction, which will seamlessly integrate the AMG Industrial Park with the main Ethio Djibouti line at Gelan. At the October launch ceremony, CEO Takele Uma articulated EDR's sharpened strategic vision, crystallized around three pillars: core railway operations, global logistics and a dedicated engineering division.

"This transition is a logical and strategic evolution," Takele said. "Our transformation into a holding structure is essential to steward our growing portfolio. Our engineering division will be a cornerstone, focusing on highways, railways and ports—including dry ports—the essential arteries of a modern logistics ecosystem." Complementing its railway backbone, EDR has launched EDR Global Logistics, a division spearheading integrated, multimodal cargo solutions.

The collaboration with CCECC was formally cemented with a technical consultation agreement signed on December 9. With a 15 year legacy in Ethiopia and more than 100 projects—including half of the original Addis Djibouti railway—CCECC brings substantial expertise to the partnership. At the signing at EDR's headquarters, CCECC's head, Li Qingyong, pledged a five year commitment to "propel the high quality operation" of the Addis Djibouti corridor, aiming for a "resounding success" in the inaugural year.

He emphasized refining procedures and standards to "elevate the calibre and efficiency" of their joint technical services. The collaboration will extend beyond maintenance, actively exploring synergistic ventures along the railway's economic corridor, such as oil transportation, dedicated lines, cold chain logistics and short haul distribution networks. "We are jointly scouting further opportunities in dry ports, airport cities and highway projects," Qingyong added.

Takele highlighted the national imperative to develop indigenous capacity for cross country infrastructure. "With government endorsement, EDR is now at the forefront of constructing mega logistics infrastructure, particularly projects enhancing maritime connectivity," he said. "CCECC's experience is invaluable as we build our own competencies. They will provide technical mentorship and supervision, and we will also pursue joint venture partnerships on select projects."

Informed sources say EDR is the designated contender for a monumental two line railway and adjacent expressway integral to the 12 billion dollar Bishoftu Airport City project southeast of Addis Ababa, with the rail component alone involving 47 km of dual track. The airport link is expected to follow an Engineering, Procurement, Construction and Financing (EPCF) model, attracting global contractors, and analysts suggest the CCECC pact strategically positions the Chinese firm to play a key role in securing the necessary financing.

"Our vision is pan African. While CCECC is a pivotal partner here, we are open to alliances with other global firms—Turkish companies, for instance, have expressed strong interest," Takele noted, outlining an expansion blueprint targeting projects in Djibouti, Kenya and Tanzania. To that end, EDR has already significantly bolstered its arsenal with state of the art heavy machinery.

The Ethiopian government's vision includes pioneering cross border lines to South Sudan and Kenya, with EDR championing the development of local execution capacity. "Our current three kilometre link is a proof of concept and a capacity benchmark, designed for completion in six months—half the time conventional estimates suggested," Takele said.

Project Manager Nigist Hailu reported strong progress, with 35 percent of the AMG link completed within two months. "We have mobilized critical components such as sleepers and anchor bolts to commence superstructure work. Orders for rails and turnouts have been placed for imminent delivery," she said, stressing the extensive use of locally sourced materials.

EDR is also constructing dedicated freight yards within the AMG complex to enable direct import export operations, while the project team operates on an intensified schedule with extended hours to ensure early delivery.

Letter to the Editor

Statement by Sune Krogstrup, Ambassador of Denmark to Ethiopia, and Sofie From-Emmesberger, Ambassador of the European Union to Ethiopia, in response to the article "Here's why nobody asked the EU when coming up with the Ukraine peace plan" brought in the Capital on November 30.

The European Union's (EU's) position on the peace negotiations between Ukraine and Russia is clear: secure a just and lasting peace in Ukraine and in Europe. This entails a peace deal that recognizes the sovereignty of Ukraine, and which does not reward Russia's illegal occupation, which violates the UN Charter. The legitimisation of the undermining of borders today would open the door to more wars tomorrow. The EU supports a peace agreement grounded in liberal principles of sovereignty, territorial integrity, and the right to self-defence. Upholding these principles means that there can be "nothing about Ukraine without Ukraine". It also means that negotiations must focus on what Russia, the aggressor, must do, not on what Ukraine, the victim, must sacrifice.

Peace in Ukraine is a question of Europe's security. Europe cannot allow Russia to illegally seize territory on our doorstep. Therefore, any lasting peace must recognize Europe's central role. Rushing a peace deal that sidelines key partners would be both irresponsible and dangerously short-sighted. Furthermore, it would compromise Ukraine's democratic choice of a European future. More than three years after applying for EU membership, public support remains overwhelming. A recent study by the International Republican Institute shows that around 75% of Ukrainians continue to back EU membership. In Marsden's article she claims that the EU is trying to control Ukraine, but this clearly misrepresents reality. The EU is not imposing itself, it is responding to and welcoming Ukraine's own sovereign choice. The EU stands with Ukraine not as a patron, but as a partner, committed to a longterm peace that protects Ukraine and the rest of Europe from Russia's aggression.

In her article, Marsden further claims that EU leaders are banking on a war economy, but this is a fundamental misreading of Europe's actions. The recent increases in European defence spending and military coordination are not opportunistic manoeuvres, but reactive and necessary measures. They exist because Russia has shown that in Europe, borders can still be challenged by force. Europe must be able to defend itself from Russia. In the EU, we are not banking on a war economy, we are banking on a future free from the threat of Russian aggressions.

And our commitment is clear. The EU and EU Member States remain the largest contributor of aid to Ukraine, providing €187.3 billion in financial, military, humanitarian, and refugee assistance supporting those on the run from Putin's army. In addition, the European Council has taken the decisive step of committing to fund Ukraine's financial needs for 2026 and 2027. This support is not intended to rest solely on European taxpayers. The European Commission has presented concrete options, including the use of frozen Russian assets, to ensure that Russia bears responsibility for the war it initiated. Beyond military contributions the EU countries has mobilised €2.3 billion, and is aiming to unlock up to €10 billion in investments to rebuild homes, reopen hospitals, revive businesses, and secure energy.

The EU's commitment to a resilient and prosperous Ukraine will endure beyond the war. The efforts of Ukraine, the EU, and our partners are delivering clear and positive results. Russia's 2025 summer offensive failed, and US- and EU-imposed sanctions are already taking a heavy toll on the Russian economy shrinking energy revenues, depleting resources, and draining manpower. On December 3, the EU took another decisive step by provisionally agreeing on clear deadlines to permanently halt imports of Russian gas and advancing plans to phase out Russian oil. The notion by some commentators that Ukraine is "losing" is flatly false. If Russia could conquer Ukraine militarily, it would have done so by now. Putin cannot achieve his goals on the battlefield, which is why the EU is intensifying pressure through sanctions and sustained military and financial support to Ukraine.

The EU welcomes the new momentum the US has brought in the peace negotiations. We all share the same goal: to end this war. But any serious discussion of peace must begin with honesty. There is one aggressor and one victim. Lasting peace must recognize the will of the Ukrainian people. The first and indispensable step of peace must be an immediate and unconditional ceasefire. Yet, there are currently no credible indications that Russia is prepared to take this step. On the contrary, Russia is not winding down its war machine, it is accelerating it. We must move from a situation in which Russia merely pretends to negotiate to one in which it is genuinely ready to negotiate. That requires sustained pressure, unity, and resolve from Europe, the US, and its partners.

ICO Indicator prices (US cents/lb) 10-Dec-25

I-CIP	Colombian Milds	Other Milds	Brazilian Naturals	Robusta
316.81 0.99%	387.93 1.02%	392.30 1.01%	377.03 1.10%	197.22 0.77%

*1lb=0.45kg

African Airlines Face Profitability Crisis as Global Aviation Soars

Despite Robust Passenger Demand, Structural Barriers Keep Continent's Carriers Among World's Least Profitable

By our staff reporter

African airlines are projected to earn just $1.3 in net profit per passenger in 2025—a pittance compared to their global counterparts—underscoring how fragile the continent's aviation recovery remains even as worldwide carriers ride a wave of post-pandemic travel demand.

According to the latest outlook from the International Air Transport Association (IATA), African carriers are expected to post a collective profit of approximately $200 million in 2025, translating into a net margin barely above 1 percent. That figure represents just 0.5 percent of the $36 billion in global airline profits projected for the same year, revealing the stark disparity between Africa and the rest of the world's aviation sector.

"Demand for air travel in Africa is rising faster than in many other parts of the world, but profitability is not keeping pace," said Kamil Al-Awadhi, IATA's regional vice president for Africa and the Middle East. "With margins of just 1.3 percent, African airlines are capturing only a fraction of aviation's economic value."

The contrast with other regions is striking. Middle Eastern carriers—bolstered by their role as global connecting hubs and favorable regulatory environments—are projected to earn $28.90 in net profit per passenger, more than 22 times what African airlines will make. European carriers will average $10.60 per passenger, while North American airlines are expected to earn $9.50. Even Latin American carriers, despite their own challenges, will outperform African peers at $7.30 per passenger.

The disparity extends to net profit margins. While the global airline industry is expected to achieve a 3.6 percent net margin in 2025, African carriers will operate at 1.1 percent—the lowest of any region—leaving virtually no buffer against unexpected shocks. Middle Eastern airlines, by contrast, are projected to achieve a 9.3 percent margin, nearly nine times higher.

The roots of Africa's aviation crisis run deep, shaped by persistent operational challenges that no single carrier can overcome alone.

High Operating Costs: African airlines face unit costs that average approximately 140 US cents per available tonne-kilometer (ATK), nearly double the global industry average. This cost burden stems from multiple sources: jet fuel is often significantly more expensive on the continent than at global hubs, while airport taxes, statutory charges, and regulatory fees can consume a substantially larger share of operating budgets than in competing regions.

"The into-wing price of jet fuel in Africa remains among the highest globally, adding to already elevated operating costs," according to IATA's analysis of regional cost structures. This reflects limited competition in fuel supply chains, high logistics costs, and low purchasing leverage due to smaller volumes.

Aging Fleets: African carriers operate aircraft that are, on average, five years older than the global norm—a gap that continues to widen. Older planes consume more fuel, require more frequent and costly maintenance, and experience longer downtimes. Compounding the problem is the difficulty in sourcing replacement parts, which are not only more expensive in Africa but also subject to extended lead times due to global supply chain constraints.

Fragmented Markets: The continent's balkanized market structure limits economies of scale. African carriers often operate in smaller, isolated markets with limited traffic volumes and constrained frequencies, forcing them to spread fixed costs—aircraft ownership, crew salaries, overhead—across a much narrower base than their international counterparts. This structural inefficiency means per-unit costs remain stubbornly high.

Tax Burden: Africa's average corporate income tax rate of 28 percent—the highest among all regions—further erodes profitability and limits carriers' ability to reinvest in fleet renewal or operational improvements.

Currency and Financing Challenges: Foreign exchange shortages in several African economies restrict airlines' ability to access hard currency for aircraft leasing, fuel purchases, and maintenance contracts, while also hampering their capacity to invest in digital systems and other efficiency-enhancing technologies.

Demand Growth Cannot Offset Structural Barriers

Paradoxically, African aviation is among the world's fastest-growing segments. The continent is expected to see passenger numbers expand 6.0 percent in 2025—faster than the global average—driven by rising middle-class populations, improved visa accessibility, and growing intra-African business travel. Over the next 20 years, Africa's aviation market is forecast to grow at 4.1 percent annually, reaching 411 million passengers and capturing the third-fastest growth rate globally.

Yet this traffic expansion is not translating into profitability. "Despite above-average demand, the financial outlook remains challenging," IATA noted in its regional assessment. The problem is that African airlines lack the pricing power to capitalize on growth. Low GDP per capita across much of the continent makes air travel highly price-sensitive, constraining airlines' ability to raise fares even as costs mount. Visa restrictions, restrictive bilateral agreements, and high passenger charges further dampen demand elasticity.

The result is a vicious cycle: airlines must accept lower yields to fill seats, which, combined with high operating costs, leaves insufficient margin for investment and resilience.

Investment and Modernization at Risk

The profitability crisis threatens the continent's aviation future. With margins of just 1 percent, African carriers have minimal resources to invest in new aircraft, digital infrastructure, and sustainability measures that are reshaping global aviation.

This poses a structural challenge. Globally, airlines are transitioning to newer, more fuel-efficient aircraft and implementing advanced systems to boost productivity and cut emissions. African carriers, constrained by weak balance sheets and limited access to capital, risk falling further behind, reinforcing dependence on foreign carriers to connect African economies and tourists to international markets.

"Without stronger balance sheets, the continent risks falling further behind," the IATA assessment warned, highlighting that the gap between African and global airline profitability threatens to widen if structural barriers remain unaddressed.

Policy Solutions on the Table

Industry leaders and policymakers have identified potential remedies, though implementation remains uneven.

Reducing Cost Burdens: IATA and regional aviation bodies are urging African governments to rationalize taxes and charges on airlines and passengers. Streamlining regulatory processes and reducing airport fees could significantly lower operating costs, improving margins without requiring carriers to cut service or accept reduced demand.

Market Liberalization: The Single African Air Transport Market (SAATM)—a flagship initiative of the African Union Agenda 2063—offers a pathway to unlock new routes, stimulate competition, and enable airlines to achieve greater scale. According to IATA, if just 12 key African countries fully opened their markets and increased connectivity, an additional 155,000 jobs and $1.3 billion in annual GDP would be created. Full SAATM implementation could reduce costs and enable carriers to operate more efficiently by connecting fragmented markets into a unified air transport space.

Consolidation and Strategic Partnerships: Industry leaders stress that African carriers need stronger corporate governance, strategic partnerships, and potential consolidation to build resilient, commercially viable networks capable of competing globally.

Infrastructure Investment: Improving airport infrastructure, air traffic control systems, and ground handling services would reduce operational delays, fuel waste, and maintenance issues, helping to lower unit costs.

While the outlook for 2026 shows modest improvement—African carriers are projected to earn $1.3 per passenger (unchanged from 2025 projections) with a 1.0 percent margin—the trajectory underscores that incremental gains are insufficient.

"Demand for air travel in Africa is rising faster than in many other parts of the world, but profitability is not keeping pace," Al-Awadhi reiterated. "Addressing the barriers that constrain growth is essential to ensure the region's traffic expansion also delivers financial strength."

The case is clear: African aviation has enormous potential, with traffic growing faster than many developed regions and populations increasingly eager to travel. But realizing that potential requires urgent action on the structural barriers that keep the continent's carriers among the world's least profitable. Without decisive policy reforms—liberalization, cost reduction, infrastructure investment, and strategic consolidation—African airlines will continue to struggle, unable to fund the modernization and resilience their economies desperately need.

SOEs struggle to file audited accounts amid severe shortage of Certified Accountants

By Eyasu Zekarias

Ethiopia's sweeping economic reform agenda is facing a critical bottleneck as a severe shortage of certified accountants hampers the ability of state-owned enterprises (SOEs) to produce audited financial statements on time. The shortage, officials warn, is undermining investor confidence and limiting transparency in both public and private sectors.

State Minister of Revenue Abdurham Eid Tahir said the shortage of qualified financial professionals has become a major national concern, directly affecting economic governance and tax compliance efforts. "Our tax-to-GDP ratio has dropped to just 6.5%, which is less than half the 15% minimum recommended by the World Bank and the IMF for low-income countries," he noted. By comparison, neighboring Kenya's ratio stands at 16%.

According to the minister, much of Ethiopia's tax non-compliance stems from accounting capacity gaps. "In many cases, businesses fail to comply not out of intent, but because their financial reports are not properly prepared due to the shortage of trained accountants," he said.

Recalling his time at Ethiopian Investment Holdings, Abdurham stated that at one point, there was "only one certified public accountant among the country's largest state-owned development enterprises." This lack of qualified professionals, he said, made it nearly impossible for these enterprises to submit timely audited financials—further complicating oversight and policy decisions.

The shortage has forced tax authorities to rely heavily on enforcement measures to collect revenue. "About 20% of Ethiopia's total tax revenue now comes from enforcement actions," Abdurham said. "In contrast, countries like Kenya collect the vast majority through voluntary compliance."

He emphasized that the problem is not only quantitative but also qualitative. "A competent accountant must understand local tax laws, public accounting standards, and compliance expectations. Without that, even well-intentioned taxpayers can fall into non-compliance," he added.

These remarks were made during the official launch of the Ethiopian Institute of Certified Public Accountants (ETiCPA), a long-awaited institution tasked with transforming the country's accounting and audit profession.

For decades, Ethiopia depended on foreign credentialing systems—such as the ACCA in the UK or the American CPA—to train its accountants. While internationally respected, those programs are often disconnected from Ethiopia's specific legal, fiscal, and regulatory environment. Dependence on external certifications also led to large foreign exchange outflows and limited accessibility for local professionals.

The government established ETiCPA in April 2025 under Proclamation No. 1372/2025 to address these long-standing challenges. Deputy Auditor General Abera Tadesse described the new institute as a "foundation for professional accounting that will significantly improve the quality of financial information." He added that enforcing ethical standards will "reduce fraud, corruption, and systemic financial deterioration" while enhancing the reliability of audit reports.

Speaking at the event, Minister of Finance Ahmed Shide said ETiCPA will be central to Ethiopia's ongoing financial liberalization, capital market development, and private sector expansion. "The institution will supply trained professionals who meet international standards and help create a credible, transparent financial system," he said, pledging government support for seven years as the institute moves toward full professional autonomy.

Hikmet Abdella, CEO of FSD Ethiopia, stressed that the pace of reform "cannot continue without well-established professional accountants." Transparent and timely financial statements, he said, will be vital as Ethiopia integrates into global markets and develops its capital and securities sectors.

Solomon Gizaw, Chairman and CEO of HST Consulting, called the creation of ETiCPA a milestone for the profession. "We, as professionals, have long struggled to establish credibility and structure. This institute now gives us a national platform—one that speaks with the unified voice of the profession," he said.

Despite these advances, the shortage remains acute. As of late 2025, Ethiopia is estimated to have only 500 to 540 internationally recognized accountants, a strikingly low figure for a country with one of Africa's fastest-growing economies.

Experts warn that unless this gap is urgently addressed, the country's reform goals—ranging from expanding public enterprise efficiency to attracting global investment—may be delayed by chronic weaknesses in financial reporting and oversight.


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High documentation fees put chill on reefer exports

By Eyasu Zekarias

Ethiopia's push to shift fresh-produce exports from air to sea freight is running into serious headwinds, with exporters warning that high documentation charges and cumbersome procedures for importing empty refrigerated containers are undermining the competitiveness of sea-based logistics.

Industry representatives say it has been technically proven that perishable goods such as fine beans and avocados can reach European markets in good condition by sea in reefer containers, but documentation costs of up to 9,000 birr per shipment are blocking large-scale uptake. They argue that these fees, especially on rail corridors, erode already tight margins and weaken the cost advantage sea freight should have over air.

The pivot to sea freight has been driven largely by European retailers' climate policies, with several major supermarket chains pledging to phase out air-freighted fresh produce to cut carbon emissions. Ethiopian exporters now face pressure to offer "green logistics" solutions or risk losing shelf space as buyers prioritise lower emission supply chains.

According to sector experts, Ethiopian exporters face an onerous process when importing empty refrigerated containers from Djibouti for stuffing at farms or inland facilities. The clearance procedures are reportedly treated much like importing a full container, requiring shippers to be listed as consignees and to provide customs guarantees based on a notional container value of around 33,000 euros.

Soji Thomas Korah, general manager at MSC Ethiopia, notes that this structure slows the turnaround of equipment and lengthens transit times for perishable cargo, increasing spoilage risk and costs. He and others describe the current regime as inefficient, expensive and high-risk, arguing that it discourages the repositioning of empties that is essential to scaling sea-freight horticulture.

Exporters also point to gaps in cold-chain infrastructure and the absence of a clear standard operating procedure (SOP) for reefer exports. While many shippers have basic packing space, they say there is no fully equipped hub capable of preparing large volumes to export standard—a gap expected to remain until planned facilities at Mojo dry port come online within about two years.

Because there is no recognised SOP for farm-level container loading comparable to airport protocols, exporters say they struggle to obtain predictable inspection and clearance, which reduces transparency and planning certainty. Weekly sailing schedules from Djibouti add further pressure: missing one vessel can push produce beyond its shelf life, turning logistical glitches into outright losses.

These concerns were aired at a recent discussion convened by Resilience Consultancy PLC, bringing together private operators, government agencies, financiers and development partners involved in fresh fruit and horticulture. Participants stressed that while technical capacity is improving—local reefer technicians are now being trained and certified by international manufacturers—regulatory agencies must move faster if sea freight is to scale.

Experts argue that reform priorities should include simplifying import and export procedures for empty reefer containers, introducing a transparent national SOP for reefers, and accelerating certification of local technicians to reduce dependence on foreign specialists. They also call for policies that encourage more firms to invest in quality and volume so Ethiopia can reliably fill the thousands of containers demanded by large European supermarket buyers.

One year after float, birr slides and interbank forex market splinters

By Eyasu Zekarias

Birr is coming under renewed strain a year after the shift to a market based exchange rate, with fresh data pointing to accelerating depreciation, a fragmented interbank market and rising transaction costs despite repeated central bank interventions.

In the first quarter of the 2025/26 fiscal year (July–September 2025), the birr weakened by 8.1 percent against the US dollar, sliding from 135.5 to 146.4 birr per dollar, according to a new macroeconomic update by the Ethiopian Economic Association (EEA). The trend continued into the second quarter, with the rate passing 150 and reaching around 154 birr per dollar by mid December 2025—leaving the currency more than three times weaker than its pre float level of about 50 birr per dollar in mid 2024.

The report, titled "Ethiopia's Exchange Rate Reform After One Year: Assessing Stability, Competitiveness, and External Pressures," notes that a record 150 million dollar FX auction on 5 August 2025 briefly steadied the market before the birr resumed its slide and broke through the 140 mark later that month. Economists say the episode underlines how strong underlying demand for hard currency—driven by needs for fertiliser, medicines and capital goods—continues to outstrip limited supply, even when the central bank injects sizable amounts.

EEA's analysis highlights growing fragmentation in the foreign exchange market, with wide differences emerging between banks' quoted rates. By 30 September 2025, the spread between the lowest and highest interbank dollar buying rates exceeded 14 birr, ranging from about 129.0 to 143.5 birr per dollar, while retail rates showed gaps of nearly 15 birr between institutions.

The average daily bid–ask spread widened sharply—from 3.1 percent in the previous quarter to 6.8 percent—signalling a more imperfect market structure, higher transaction costs and limited arbitrage between banks. Analysts warn that such conditions raise risks for importers and exporters, encourage hoarding behaviour and may reflect capital flight or unrecorded FX flows that are hard to reverse through auctions alone.

One notable bright spot is a gradual narrowing of the gap between official and parallel market rates, a key objective of the July 2024 reforms. EEA estimates that the premium fell from about 25 birr (roughly 18.4 percent) in early July to around 20 birr (13.7 percent) by the end of September, suggesting the new regime and larger auctions are slowly drawing part of FX demand back into formal channels.

The sharp depreciation has also boosted Ethiopia's measured price competitiveness. The Real Effective Exchange Rate Index fell by about 26.4 percent year on year, while the Nominal Effective Exchange Rate dropped 25.7 percent, reversing what many economists considered an overvalued currency. In principle, this should support exporters and import substituting industries, but the report cautions that gains will depend on how quickly firms can expand supply and on the authorities' ability to contain inflation driven by more expensive imports.

The EEA paper situates Ethiopia's experience within a "binary shock" in global commodity markets, where prices for key exports such as gold and coffee have climbed, while energy and grain prices have eased from recent peaks. It notes that gold and coffee export earnings rose by nearly 40 and 37 percent respectively, improving the terms of trade and providing some relief to the external balance.

Purchasing Managers' Index (PMI) readings above 50 in major partner economies—including the US, India, China, the euro area and a rebounding Kenya—point to resilient external demand that could support Ethiopia's exports if firms can exploit the weaker birr.

Looking ahead, the Association urges a more comprehensive policy response to stabilise the FX market and make the new regime sustainable. Recommended steps include deepening the interbank FX market to improve price discovery, rebuilding foreign exchange reserves to cushion shocks, and accelerating domestic fertiliser production to reduce pressure from critical imports.

Policymakers are also being advised to strengthen coordination between monetary, fiscal and trade policies, so that the benefits of improved competitiveness are not wiped out by runaway inflation or renewed instability in the parallel market.

Weak enforcement, no wage floor push textile unions to the brink

By Eyasu Zekarias

Ethiopia's trade unions, especially in labour intensive sectors such as textiles and garments, are facing an acute risk of dissolution as legal loopholes and weak enforcement leave the constitutional right to organise largely unprotected, experts and union leaders warn.

At a recent stakeholder forum convened by the Forum for Social Studies (FSS), industry specialists, union representatives and factory owners highlighted how routine threats, dismissals and intimidation of organisers have eroded union density to below 10 percent of eligible workers. Participants said workers who attempt to form unions are often labelled "troublemakers" and either pressured into resigning or terminated outright, undermining solidarity and collective bargaining.

Although Ethiopia's Labour Proclamation formally guarantees freedom of association, speakers stressed that there are almost no consequences for employers who block or dismantle unions, allowing anti union practices to spread unchecked. In some large firms, they noted, management has resisted unionisation even when a clear majority of workers have expressed interest in organising.

The forum also drew a direct link between weak organising rights, the absence of a national minimum wage and the sector's deepening labour crisis. Experts warned that extremely low pay in textile and garment factories is driving high turnover and prompting some large plants to shut production lines or cut shifts, with potential for broader social instability.

Labour Proclamation No. 1156/2019 provides for the creation of a tripartite wage board to set and review minimum wages, but the body has yet to be established, despite repeated appeals from the Confederation of Ethiopian Trade Unions (CETU) to the Prime Minister. While the government has raised salaries and tax free thresholds for civil servants, panellists said these measures bypass millions of low paid industrial workers who remain without any statutory wage floor.

Trade union leaders and policy experts warned that unless enforcement of organising rights improves and a functioning wage board is put in place, Ethiopia risks undermining its own industrialisation agenda in export oriented manufacturing. They urged closer coordination between the Ministry of Labour and Skills, the Ministry of Industry and other agencies to improve labour inspections, simplify procedures and integrate reliable labour market data into policymaking.

Without such reforms, they cautioned, Ethiopia's flagship industrial parks could face mounting unrest, skills shortages and declining productivity problems that stronger unions and a credible minimum wage system were originally meant to help prevent.

Capital NEWS IN BRIEF

Standard Bank, Safaricom Telecommunications announce USD 138 Million partnership to Expand Network Access

Standard Bank has partnered with Safaricom Telecommunications to provide funding of USD138 million as part of investment towards Safaricom Telecommunications Ethiopia PLC (STEP).

The bank acted as the sole arranger, lender, and facility agent on the term facility to STEP and played an advisory role. Standard Bank's financing facilitates Safaricom's ongoing rollout of digital infrastructure and services in Ethiopia.

"We are honoured to have partnered with Safaricom again in enabling and supporting their on-going vision to driving digital transformation and inclusion in Ethiopia" says Anthony Ndegwa, Executive Vice President for Telecoms, Media & Technology at Stanbic Kenya's Corporate and Investment Banking.

The two-businesses worked side by side in the development of the financial solutions that were bespoke to the business while responsive to the market's needs.

"As a business, we are guided by innovation and strategic partnerships we aim to transform lives at scale—empowering youth, entrepreneurs, and underserved communities to fully participate in Ethiopia's digital economy and realise the promise of shared prosperity by 2030," says Peter Ndegwa, Safaricom Plc Chief Executive Officer.

"Through this partnership we are given the opportunity to pursue this goal and grow further to digitally enable Africa," adds Ndegwa.

The telecommunication company acquired licence to operate in Ethiopia in 2021, and Standard Bank was one of the advisors and financiers who worked with them as they deployed services and built the network in the country.

(Press Release)

Amhara Region, Fano Faction Sign Breakthrough Agreement

Ethiopia has taken a significant – though fragile – step towards easing one of its most volatile internal crises with the signing of a peace agreement between the Amhara Regional State Government and a faction of the Fano militia, the Amhara Fano Popular Organization (AFPO). Brokered and witnessed by the African Union and the Intergovernmental Authority on Development (IGAD) regional bloc, the agreement marks the first formal accord since the conflict erupted more than two years ago, destabilising one of the country's largest regions. Regional officials cast the agreement as an essential opening for "relief and security", but analysts warn its impact may be limited unless Addis Ababa confronts the broader political, security and governance grievances that fuelled the uprising.

(The Africa Report)

U.S. Embassy, Ethiopian Academy of Sciences Host Workshop on Endowment Fund Management and Alumni Engagement for Ethiopian Universities

The U.S. Embassy in Addis Ababa, in partnership with the Ethiopian Academy of Sciences (EAS) and with support from the U.S. Department of State's Fulbright Specialist Program, hosted a three-day workshop on "Endowment Fund Management and Alumni Engagement" from December 3–5, 2025, at the Hilton Hotel. The event convened leaders from Ethiopia's ten first-generation research universities to share practical strategies for building sustainable alumni giving programs and endowment funds—key pillars supporting Ethiopia's higher education institutions.

Fulbright Specialists Dr. Ty Ropp, Vice President of Development at the Oklahoma State University Foundation, and Dr. Walter McCollum, President and Chair of the Fulbright Association, led sessions on the intersection of endowment development and alumni relations to foster sustainable university growth.

The workshop offered expert guidance on alumni communication strategies, donor stewardship and recognition, alumni giving programs, university fundraising and endowments, and endowment management. Participants engaged in interactive fireside chats, design thinking exercises to develop tailored alumni giving programs, and discussions on endowment policy frameworks for Ethiopian universities.

(Press Release)

South Sudan Army Deploys to Secure Heglig Oilfield after Deal with Sudan, RSF

South Sudan's army began deploying to secure the Heglig oilfield on Wednesday following a three-way deal between Juba and Sudan's warring factions to protect vital energy infrastructure. The deployment follows the paramilitary Rapid Support Forces' (RSF) seizure of the strategic town on Dec. 8, which forced the Sudanese army to abandon its defensive positions and withdraw across the border into South Sudan, where troops were disarmed. South Sudan People's Defence Forces (SSPDF) Chief of Staff Paul Nang told reporters in Heglig that the troops entered the area under a "tripartite agreement" involving President Salva Kiir, Sudan's army chief Abdel Fattah al-Burhan, and RSF leader Mohamed Hamdan Daglo. Nang stated the deal requires the withdrawal of the Sudanese army and the exit of RSF troops from the area to ensure facilities remain unharmed. "The primary goal is to completely neutralize the Heglig field from any combat operations… because this field represents an economic lifeline not only for South Sudan but for Sudan as well," Nang said.

(Sudan Tribune)

Term of the Day

UNILATERAL CONTRACT

Definition

Unilateral contracts involve only one party, the person or entity offering the contract, or offeror, who is obligated to fulfill a promise once the contract recipient, or offeree, completes a specified task or act.

Unlike bilateral contracts, unilateral contracts don't obligate the offeree to complete the task or accept the offer. Unilateral contracts can be revoked before performance begins, emphasizing the importance of communication between the offeror and offeree.


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STEADY GDP GROWTH AMID SERIOUS INSTABILITY:

Why the Numbers Don't Tell the Full Story

By Alazar Kebede

In an era of volatility, geopolitical conflict, climate shocks, supply-chain disruptions, rapid technological change, and political polarization, headlines announcing steady GDP growth can sometimes feel surreal. Policymakers tout resilience, economists cheer the prospect of a soft landing, and markets respond with optimism. Yet the steady rise in GDP during periods of obvious instability raises an important question: are we mistaking economic motion for genuine stability?

GDP growth during instability is not nearly as paradoxical as it seems. At its core, GDP is a measure of economic activity, transactions, spending, production, not a measure of societal health or long-term security. Instability often stimulates the very activity GDP records. Following climate disasters, rebuilding efforts inject money into construction and materials. Defense spending increases during geopolitical tension. Families facing uncertain futures may accelerate purchases, bolstering consumption. Governments turn to stimulus, humanitarian aid programs, and emergency infrastructure spending. All of this pushes GDP upward, even if much of the activity is reactive rather than productive.

This dynamic exposes a crucial limitation: GDP does not differentiate between distress-driven spending and investments that create lasting value. When storms destroy coastal infrastructure and rebuilding begins, GDP rises. When public health systems strain under new waves of illness, healthcare expenditures - borne out of necessity - add to GDP. If instability forces governments to pour money into short-term mitigation rather than long-term development, GDP registers the churn without revealing the underlying fragility. It captures the cost of coping, not the quality of progress.

None of this means steady GDP growth should be dismissed. It does signal something real: the capacity of an economy to keep functioning under pressure. It reflects the adaptability of businesses, the flexibility of labor markets, and the ability of households and governments to stay engaged even in turbulent times. An economy that continues to grow while facing serious instability is displaying a form of resilience that is meaningful and worth recognizing.

But the persistence of growth should not blind us to the fact that resilience can coexist with accumulating risk. A society can experience steady GDP growth while suffering deep political divisions, eroding public trust, widening inequality, deteriorating infrastructure, and escalating climate impacts. GDP may rise even as the foundations supporting it begin to weaken. Stability on paper is not the same as stability in practice.

The deeper issue is that GDP has been miscast as a barometer of national well-being. Policymakers often use it as shorthand for progress: if the number is up, the country is doing well. But GDP was never intended to be a metric of stability, prosperity, or social cohesion. It cannot measure whether growth is inclusive or exclusive, whether it contributes to long-term resilience or simply papers over immediate vulnerabilities. A rising GDP is compatible with exhausted workers, fragile supply chains, overwhelmed local governments, and communities repeatedly hammered by climate disasters.

To understand how steady GDP can obscure underlying instability, consider the nature of investment. Growth fueled by short-term crisis response does not have the same value as growth built on long-term foundations like education, infrastructure, innovation, and sustainable energy. If governments are using fiscal patches to maintain momentum while deferring structural problems, GDP can look stable even as long-term risks deepen. Similarly, if households sustain consumption through rising debt rather than rising income, GDP can grow while financial vulnerability increases. In such cases, the economy is running on borrowed time.

We need a richer conversation, one that takes GDP seriously but not literally. Instead of treating it as a scorecard, we should see it as one indicator among many. A society seeking real stability must complement GDP with metrics that track household financial security, climate resilience, public health, political cohesion, and the strength of democratic institutions. If GDP rises while these indicators fall, we are not on a stable path; we are accelerating toward a future in which the economic facade eventually cracks under the pressure of unresolved problems.

The challenge is not that GDP is misleading, but that we rely on it too heavily. Numbers can provide reassurance in uncertain times, and steady growth offers a comforting narrative. Yet the task of leadership is to look beyond comfort and confront reality. Stability is not measured solely by how much we produce, but by how well we are prepared for the storms, literal and metaphorical, that lie ahead.

Steady GDP growth amid serious instability may be real, but it is not a sign to relax. It is an invitation to take a deeper look at the strengths and weaknesses of the system supporting that growth and to build an economy where resilience is measured not just by spending, but by the security and well-being of the society that sustains it.

MEDICAL PRACTICE PLAT FORM & AI EFFECT

By Gzachew Wolde

Artificial Intelligence (AI) is emerging as a transformative tool in medical practice particularly in surgery. Current literature highlights its potential to enhance training, decision-making, and the discovery of relevant scientific knowledge in the surgical domain. AI systems can process vast datasets, identify subtle patterns, and provide decision support that complements human expertise. In doing so, they promise to elevate both clinical outcomes and research productivity.

One of the most promising applications lies in AI-guided robotic surgery is systems enhancing the infection control and protect both patients and surgical teams from communicable disease transmission. AI robots reduce contamination risks compared to manual handling.

Of course surgeons are skilled at making complex decisions over invasive procedures that can save lives and alleviate pain and avoid complications in patients. The knowledge to make these decisions is accumulated over years of schooling and practice.

Their experience is in turn shared with others, also via peer-reviewed articles, which get published in larger and larger amounts every year. In this writing, attempt is made to make a brief presentation based on the literature related to the use of Artificial Intelligence (AI) in surgery.

The focus is on what is currently available and what is likely to come in the near future in both clinical care and research. Just to show how AI has the potential to be a key tool to elevate the effectiveness of training and decision-making in surgery and the discovery of relevant and valid scientific knowledge in the surgical domain.

Yet there is concerns about AI technology, including the inability for users to interpret algorithms as well as incorrect predictions. A better understanding of AI will allow surgeons to use new tools wisely for the benefit of their patients and themselves too.

Exploring AI-dressed robotic surgery aims to enhance infection control and protect patients and surgeon doctors from communicable disease transmission and to deliver very accurate performance result. Using AI-driven surgical robots reduces the risk of communicable disease transmission because they minimize direct human-to-human contact. It creates a sterile operating conditions, and can even assist with automated disinfection.

Robots can perform or assist surgeries with minimal direct involvement of multiple healthcare staff, lowering the chance of cross-infection between patients and medical teams. AI robots operate in controlled, sterile environments, reducing contamination risks compared to manual handling. Some healthcare robots are designed to disinfect surgical tools, operating rooms, and surfaces, further preventing the spread of pathogens.

Surgeons can control robots remotely, which is especially useful during outbreaks like COVID-19, limiting physical presence in high-risk zones where infection risk is higher. Further just because robots don't suffer from fatigue or lapses in protocol, it ensures consistent adherence to sterilization and infection-control standards across the operation period.

AI-guided robotic systems also address human vulnerabilities due to fatigue, age-related decline, and momentary forgetfulness which may lead to anomalies such as skipped steps or overlooked safety checks.

AI systems analyze patient data during surgery, helping detect anomalies early and reducing complications that could require prolonged hospital stays (). Using AI-guided, robot-assisted systems in the operating room helps counteract human limitations such as fatigue, age-related decline, of momentary or forgetfulness, while substantially increasing accuracy and consistency in surgical performance.

Human memory lapses may cause skipped steps or overlooked safety checks. Experienced surgeons may face reduced dexterity or slower cognitive processing over time.

Opportunity challenges in safety

Despite these advances, concerns remain. Many AI algorithms are difficult to interpret, and incorrect predictions can pose risks in critical surgical contexts. A deeper understanding of AI technologies is therefore essential to ensure that surgeons adopt these tools wisely and responsibly, always prioritizing patient safety.

AI technologies in robotic surgery, while advancing precision and mitigating human errors from fatigue or age, indeed face challenges like "black box" opacity in algorithms, where decision-making processes are not fully transparent, potentially leading to unpredictable errors in high-stakes operations.

Validation through rigorous clinical trials and simulation testing ensures AI outputs align with human expertise, reducing risks from incorrect predictions by incorporating fail-safes like human override capabilities.

Fail-safes such as human override capabilities are critical in AI-assisted robotic surgery. They ensure that while robots provide precision and consistency, ultimate control remains with the surgeon. In high-stakes surgery, unexpected anomalies can arise. Human override ensures that surgeons can immediately intervene.

Surgeons and patients are more likely to accept AI systems if they know human judgment remains the final authority. If an algorithm misinterprets data or a robot malfunctions, human or surgeon override capabilities prevent harm from opportunity challenges. AI-driven robotic surgery systems incorporate robust override capabilities and fail-safe mechanisms, enabling surgeons to immediately intervene if an algorithm misinterprets data or a robot malfunctions, thereby preventing harm to patients.

Surgeon Control and Override Features

In systems like the da Vinci, a master-slave architecture allows surgeons to directly control robotic arms from a console, with emergency override buttons that instantly grant manual control to the team during anomaly.

This is actually one of the many medical Practice plat forms for AI. AI is making huge strides in healthcare, but surgical applications are still in their early stages compared to areas like diagnostics or medical imaging.

AI is widely used in radiology, pathology, and dermatology to detect diseases faster and sometimes more accurately than humans. In predictive analytics, algorithms help forecast patient outcomes, hospital readmissions, or disease progression. AI streamlines workflows, scheduling, and documentation, reducing physician burnout. This way AI streamlines workflows, scheduling, and documentation, reducing physician burnout. Systems like the da Vinci robot are enhanced with AI for precision, AI can also analyze scans to suggest optimal surgical approaches. But they most rely heavily on human surgeons.

Surgery involves high-stakes, real-time decisions where errors can be catastrophic. Approval processes for surgical AI tools are stricter due to patient safety risks. Surgeons and patients must feel confident in AI's reliability before widespread adoption. Thus fully autonomous surgical systems are a long-term vision, but near-term advances will likely focus on decision support, precision enhancement, and training simulations. Yet AI can be regarded as second pair of eyes in the operating room, reducing human error and improving outcomes.

Site Location Risks and advantage of facilitating business environment

By Gzachew Wolde

Selecting a project site without a conducive business environment is a fundamental strategic error. Placing projects in locations lacking essential business environments—such as poor infrastructure, limited supply or market access, inadequate utilities, or disharmonious conditions—drives operational inefficiencies, extended ROI timelines and potential bankruptcy. This is akin to stumbling in darkness without recovery plans.

Building a hypermarket in a rural area where there is no conducive environment exemplifies this. It faces low footfall due to low economic capacity of people around, lifestyle mismatches, and logistics barriers, erode profit margins. So this leads to prolonged struggles to get return on investment which may not be successful. The local community's purchasing power and lifestyle must match the business installed.

Similarly, in business context, the dislocation people in new places with no proper study on the possible consequences where location and environment related risks the gap and low-quality infrastructure, import delays, and land expropriations and inconsistent compensation after displacement amplifies business challenges. Generally lack of essential facilitirs undermine small scale business. Distance from target consumer bases and reliable suppliers are big issues. Besides, bureaucratic hurdles, corruption perceptions and transaction and exchange delays further strain business due to remoteness of sites or distant from suppliers and markets.

More often than not rural placements suffer from power shortages, poor roads, and limited internet, raising logistics costs and delaying supplies of essential items causing strain on business sustainability until infrastructure catches up to render salient service that too if it does. In addition, capital will remain tied up longer than projected, till access to finance from customers comes to compensate the constraint.

The business landscape associated with poor roads, power shortages, and security -related issues in regions intensifies risks deterring customers and raising costs of supply due to difficult transport, and delays. Supply shortages, land expropriations, and corruption compound rural or outskirt site failures. Further almost all small enterprises face poor infrastructure as a top obstacle along with other financial gaps. This mirror broader utility and market access deficit

Though the city renovation initiative through corridor development is commendable, there is a social non official complaint due to short notice evictions or forced displacement without adequate planning. The displacement disrupted severely community ties destroying existing micro-economies related to small businesses among displaced in these areas where they faced livelihood challenges. Income losses because of relocation to outskirts lacking sufficient infrastructure, schools, health facilities and services, lead to unsustainable welfare severed community economies.

The displacement in peri-urban areas like, where rapid industrialization takes place, small business faces challenges without sustainable welfare, eroding assets and social economic networks overshadowing long-term urban benefits. This is not to mean that there was no government attempt to facilitate but there is still a long way to go to fully compensate and bring the long term trend of business and living environment they used to enjoy.

While government efforts to facilitate compensation and resettlement have been attempted, the measures remain incomplete. There is still a long way to go to ensure that displaced communities regain the stability, business continuity, and living environments they once enjoyed

Key Consequences

Financial Pressure: Elevated transport and logistics expenses compress margins; access to finance ranks as top obstacle for small firms. Market and Supply Gaps: Distance from consumers and suppliers limits sales potential and increases vulnerability to inflation. Operational and Legal Strain and utility deficits drop efficiency add unpredictability on business benefits. Relocated businesses lose their customer base and face new infrastructural deficits, leading to asset erosion and income loss.

Mitigation Strategies

Conduct thorough study with due diligence the social-environmental impact assessments, market proximity analysis, and infrastructure audits before trying to implementing commitment. Partner locally better prioritize regulatory navigation on urban or industrial zones available utilities functionality, and build contingency plans for logistics and other risks to ensure quick returns weaving a critical social dimension which are often overlooked. Adjust environment with clusters of proven utilities and supplier networks.

There is a need for deepening relation along partnerships with reputable private local entities to fill the gap of community needs by establishing relations with various supply chain to create logistics improvement. Start with a pilot or smaller-scale operation to validate assumptions before full-scale commitment and implementation venture. Budget and plan for backup power (solar/mini-grids), water storage, and diversified logistics routes should be allotted adequately.

Proactively engage with local community leaders and authorities to get feedback and meet their basic needs. For projects in development corridors, energetic promotion must be made for obtaining participation from both private and government units in transparent, timely, and fair condition to help resettlement action plans (RAPs) meet the intended objective. This mitigates reputational risk and. It is better to start dealing with the reality in honesty to avoid negative social backlash.

The Addis Ababa Corridor Development Project (CDP) represents achievement by the Ethiopian government, completing major phases in remarkably short timelines—such as the Piassa , 4 Kilo corridor in just three months—while transforming urban infrastructure across hundreds of kilometres. Launched in 2022 with phase one covering over 40 km of enhanced streetscapes, bike lanes, and public spaces, the initiative has expanded rapidly, with over 300 projects finished nationwide by mid-2025, including 500+ km of roads in 60+ cities

All the same , despite the challenges of addressing diverse needs, the government's effort to complete such large-scale corridor development projects within a short timeframe stands as a record-breaking success that bring such radical change or renovation of the city which can be marked as foot print of the present government.

This transformation has brought ultra-range improvements to the city bing a powerful demonstration of what can be accomplished if there is effective commitment in the administration. It is actually giving new light to the path of project execution like never before in the nation. Every move including the coordination of different sectors and the work culture with construction activities undergoing 24/7 is a lesson to improve the old way of dealing with construction activities.

Works operated day and night to meet deadlines ahead of rainy seasons, delivering asphalt roads, pedestrian walkways (e.g., 33 km in one 16.5-km corridor), drainage, green spaces, and smart city features like plaza's, parking lots, smart street lights and telecom upgrades. The projects have revitalized slums, restored heritage sites, boosted local employment, and ignited economic activity by easing traffic and enhancing business environments, positioning Addis Ababa as a model for liveable, investment-as attractive cities. It is overwhelmingly amazing achievement with all its gaps that no one can deny. It really is off the scale of expectation.

Addis Ababa's riverside development initiatives, spanning 44 km and focusing on cleaning polluted rivers such as Kebena and Sheger, while enforcing anti-pollution regulations with fines that prevent pollution are closely aligned with the city's broader corridor development strategy. These efforts not only deliver commendable sanitization and foundational infrastructure but also enhance economic growth by creating small-scale freshwater fishing dams, safeguarding the environment for generations to come creating vibrant tourist attractions, generating jobs, and establishing inclusive public spaces in the city.

This is commendable effort for development; it is a promise of a healthier, more prosperous, and more inclusive Addis Ababa. A city where rivers flow clean, communities thrive, and progress and experience is shared by other towns in the regions.

Entrepreneur PROFILE:

RESUME

Name: Solomon Aklilu

Education: Diploma

Company name: Twins Epoxy

Title: General Manager

Founded in: 2023 E.C

What it does: Provides high-quality epoxy adhesive and coating solutions

Hq: Addis Ababa

Number of Employees: 8

STARTUP CAPITAL

50,000 birr

CURRENT CAPITAL

Growing

BIG PICTURE

Reason for starting the Business: Inspired by the rapid growth of the construction sector

Biggest perk of ownership: The freedom to explore and experiment with new business ideas

Biggest strength: Determination and a "never-give-up" mindset

Biggest challenge: Market limitations.

Plan: To become the leading provider of high-quality epoxy services

First career: Church service

PERSONAL

Most interested in meeting: *Former Ethiopian President Mengistu Hailemariam*

Most admired person: *Musician Tewodros Kassahun (Teddy Afro)*

Stress reducer: Spending time at church, being with family, and reading

Favorite pastime: Trying new innovations

Favorite book: Politics and history

Favorite destination: Jerusalem

Favorite automobile: Classic Volkswagen (old model)

DAILY EXCHANGE RATE

Dec. 13, 2025

EUR (€)	181.65	183.47	± 1.81
AED (د.إ)	42.23	42.66	± 0.42
SAR (ر.س)	41.33	41.75	± 0.41
AUD ($)	103.23	104.26	± 1.03
CAD ($)	112.39	113.52	± 1.12
USD ($)	155.14	156.69	± 1.55
KES (KSh)	1.20	1.23	± 0.03
INR (₹)	1.71	1.73	± 0.01
DJF (Fdj)	0.86	0.89	± 0.02
DKK (kr)	24.32	24.56	± 0.24
NOK (kr)	15.34	15.50	± 0.15


GET THE
HOLIDAY STARTED
FLY BETTER
Flying Emirates Business Class means you can get the holiday started the moment you board. Relax in your chauffeur driven car and unwind in the airport lounge, before enjoying the spacious comfort of your lie-flat seat, our onboard lounge, and delicious fine dining on board.
Emirates

Oromia INSURANCE

In accordance with Article 33/2 (B) of proclamation No. 746/2012 and Article 12.2.5 of the Insurance Corporate Governance Directive No. SIB/48/2019, the audited statement of Financial Position and Profit & Loss Statement of Oromia Insurance (S.C.) for the Financial Year 2024/25.

Annual IFRS financial statements
STATEMENT OF FINANCIAL POSITION
For the year ended 30 June 2025

	Notes	30 June 2025 Birr'000	30 June 2024 Birr'000
ASSETS			
Cash and bank balances	16	2,191,540	1,594,703
Staff loan	17	49,417	41,300
Investment securities	18	450,616	416,691
Investment in Government Bond	18	149,307	73,612
Other assets	20	517,558	343,958
Work in Progress	21	1,344,260	1,110,900
Right of use asset	22	124,244	116,883
Investments in associates	23	3,779	3,734
Property, plant and equipment	24	179,038	151,973
Insurance Contract asset			
Reinsurance Contract assets	19	416,161	407,180
Deferred Tax Asset	15	8,677	3,189
Statutory deposit	25	225,775	185,409
Total assets		5,660,371	4,449,531
LIABILITIES			
Insurance Contract Liabilities	26	2,352,459	2,122,287
Reinsurance Contract Liabilities			942
Lease Liability	38	92,146	80,355
Defined benefit obligations	28	12,739	10,629
Deferred tax Liablity	15	20,465	14,250
Current income tax liabilities	15	226,441	113,549
Other liabilities	27	476,732	289,668
Total liabilities		3,180,982	2,631,680
EQUITY			
Share capital	29	1,649,046	1,206,104
Share premium	29	1,880	1,880
Retained earnings	31	434,171	332,782
Legal reserve	32	213,657	154,861
Other reserve	33	105,024	75,626
Regulatory Risk Reserve	34	40,730	23,834
Fair value reserve (OCI)		34,881	22,764
Total equity		2,479,389	1,817,852
Total equity and liabilities		5,660,371	4,449,531

TMS Plus Tefesse, Shisema & Ayalew Certified Audit Partnership

OROMIA INSURANCE INSHURAANSII OROMIYAA

Tegistu Shiferaw
Cheif Executive Officer

Oromia Insurance S.C.
Annual IFRS financial statements
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2025

	Notes	General and Life Insurance 30 June 2025 Birr	Takaful Insurance 30 June 2025 Birr	General and Life 30 June 2024 Birr	Takaful Insurance 30 June 2024 Birr
Insurance Revenue	6	2,281,209	122,225	1,856,627	56,252
Insurance Service Expense	7	(1,127,691)	(19,365)	(941,611)	(34,157)
Net Expenses From Reinsurance Contracts Held-Gen	8	(383,720)	(123,826)	(386,355)	(13,920)
Insurance Service Result		769,798	(20,967)	528,661	8,174
Net Investment Income	9	194,022		181,156	
Finance Expenses From Insurance Contracts	10	93,261	962	25,869	897
Finance Income From Reinsurance Contracts	11	(49,075)	5	(8,600)	(615)
Net Financial Result		238,208	966	198,385	283
Other Income	12	104,889		59,300	
Non – Attributable Expenses	14	(294,632)		(209,119)	
Impairment losses(or reversal) on financial assets	13	(1,071)		(1,099)	
		(190,815)	0	(150,918)	0
Profit before income tax		817,191	(20,000)	576,128	1.4181
Income Tax	15	(229,232)		(124,420)	
Profit For The Year after Tax		587,960	(20,000)	451,750	
Other comprehensive income					
Items that will not be subsequently reclassified into profit or loss:					
Remeasurement gain/(loss) on retirement benefits obligations		(457)		151	
Fair value gain/(loss) on equity investments at fair value through OCI		5,316		6,415	
Deferred tax (liability)/asset on remeasurement gain or loss		(1,458)		(1,970)	
Other Comprehensive income net of tax		3,401		4,596	
Total comprehensive income for the year		591,361		456,346	
Earning Per Share(ETB)		0.41		0.42	

Merem Chibsa
Board Chairperson

TMS Plus Tefesse, Shisema & Ayalew Certified Audit Partnership

OROMIA INSURANCE INSHURAANSII OROMIYAA

Tegistu Shiferaw
Chief Executive Officer

INTERVIEW

Capital sat down with Susan De, Deputy Director for Health and Nutrition at the Gates Foundation's Ethiopia Country Office, to discuss the 2025 Goalkeepers report, the state of maternal health, and what it will take for Ethiopia to meet its 2030 targets. In this wide-ranging conversation, Susan explains the risks posed by shrinking development assistance, highlights what is working in primary health care and maternal health, and outlines the reforms and innovations that could save thousands of mothers' and children's lives in the years ahead. Excerpts

SAVING MOTHERS' LIVES IN ETHIOPIA

Capital: The 2025 Goalkeepers report paints picture of despair but optimism as well, showing that in 2024, 4.6 million children died before their 5th birthday and that number is projected to rise by just over 200,000 this year especially as the global development assistance for health fell sharply this year. Talk us through the risk of losing hard-won gains against diseases like malaria, HIV, and polio.

Susan De: Absolutely. And the modeling in the report shows that if these funding cuts persist, 16 million more children could die by 2045, reversing decades of progress against malaria, HIV, and polio. Despite this sobering picture, the report also shows that the world still has a path forward. Targeted investments in proven tools, strong primary health care, routine immunization, better vaccines and next-generation innovations could save millions of children even in a constrained budget environment. We know that sustained support to mechanisms like the Global Fund and Gavi has already saved tens of millions of lives and remains essential to protecting gains against the world's deadliest diseases. If we look at Ethiopia in particular, the suddenness of the shifts in development assistance was a shock to all of us working in Ethiopia's health sector – precisely for the reasons you noted. Ethiopia had already been battling many shocks in recent years – due to climate pressures, COVID-19, conflict, along with several disease outbreaks, including malaria. The sudden reduction in donor spending was yet another challenge the country had to contend with. Predictability of funding will greatly enable country governments to not only address health sector shocks, but to ensure that hard-won gains are maintained and possibly even accelerated. Without predictability as well as visibility of external support, sudden shifts have a disruptive effect. To mitigate, we saw the Ministry of Health in Ethiopia do its best to pivot to prioritize critical life-saving service delivery, strengthen efficiencies, and mobilize more resources domestically while diversifying external funding sources.

Capital: As a follow up to this, the report does also bring out opportunities to scale what is already working. What interventions have worked in Africa when we look at primary health care, routine immunizations, better vaccines, and use of data?

Susan De: Fortunately, as noted by the report, we have a wealth of evidence on what works. If these interventions could be prioritized given limited resources, we can still achieve significant health gains. Ethiopia is a case in point of a low-income country facing many shocks that is focusing its limited resources on investments with the greatest potential to save lives. For example, as noted by the report: for less than $100 per person per year, strong primary health care systems can prevent up to 90% of child deaths. On this, Ethiopia's health sector budget has prioritized over 60% of its spending on primary health care; PHC has been a major priority of the sector for over 20 years. Immunization is another proven tool to reduce and/or even eliminate diseases relating to diarrhoea, pneumonia, and measles. For every $1 spent on vaccines, we see returns of $54 in economic and social benefits. Through Gavi, the Vaccine Alliance, more than 1.2 billion children have received lifesaving vaccines since 2000. In Ethiopia, a recent national measles 'catch-up' vaccination campaign reached over 18 million children – to reach those most at risk. To prevent cervical cancer, the country's HPV campaign reached more than 71 million girls and so expanded protection by reaching those previously missed girls in hard-to reach communities. That said, challenges remain. The country still has around 768,000 children who remain completely unimmunized. While this is an improvement from past years, these numbers demonstrate the urgency to reach un-reached children with life-saving vaccines. Under the Ministry's leadership and together with other key stakeholders like Gavi, our Immunization support is striving to help close gaps in immunization coverage. Another cost-effective intervention that could be a game-changer if scaled is Food Fortification. For every $1 invested generating $27 in economic return from prevented disease, increased income, and enhanced labor productivity. Research in Ethiopia recently showed that folic acid fortification of salt can nearly eliminate folate deficiency, which currently drives one of the highest rates of birth defects in Africa, at the cost of less than $0.02/person/year. As resources are limited, it is critical to rely on data to help guide the prioritization of health sector support. Ethiopia's information revolution and digital health is doing just that. Together with our support, the country is leveraging predictive analytics and models to target for example, vaccine resources to areas most vulnerable to outbreak. For example, by analysing 2011–2024 surveillance and routine immunization data with advanced modelling techniques, the Government was able to pinpoint extremely high-risk measles hotspots—particularly in pastoral, border, and certain urban woredas—and this evidence directly informed Ethiopia's 2025 targeted mass vaccination campaigns and national outbreak response planning.

Capital: How would you characterize the current state of maternal health in Ethiopia compared to previous years?

Susan De: Because of investment in the health sector, primary health care including strong community health systems -- maternal mortality has been thankfully on the decline over the past 25 years. At the start of the century, for every 100,000 live births, 870 mothers would die. Today, the latest figures from the 2023 UN estimates show that we are at 195. This reduction is not enough – we need to get to zero. To do so, it is important to address the drivers of maternal mortality. Postpartum haemorrhage is the leading cause of deaths among women during childbirth – accounting for a staggering 60% of deaths. This is one area the Gates foundation is targeting its support.

Capital: What are the main challenges currently affecting maternal mortality and morbidity in Ethiopia and are there examples of what is working elsewhere in Africa that we can borrow ideas from?

Susan De: As mentioned earlier, while Ethiopia has made great progress in reducing maternal mortality, we haven't yet made it to 0 deaths. What's really heartbreaking is that most mothers are dying from causes we can prevent, things like postpartum haemorrhage (mother bleeding excessively after delivery), pregnancy-related high blood pressure, and infections. These are conditions we know how to detect early and treat. The challenge is that health system gaps make this harder. Emergency obstetric care isn't always available, there's a shortage of skilled health workers, and essential medicines and blood products aren't consistently accessible. On top of that, maternal death surveillance needs strengthening. Then there are socioeconomic and cultural barriers such as poverty, traditional norms that delay care-seeking, and high rates of maternal undernutrition and anemia. And if you look at geographic disparities and humanitarian crises, like conflict and displacement, they really limit access to timely, quality care, especially in remote areas. So, while progress is real, addressing these systemic and social challenges is critical if we want to make sure no mother dies from preventable causes. There are great examples of 'what is working in Africa.' In Tanzania, the Safer Births Bundle of Care, which combines frequent on-the-job simulation training for healthcare workers with innovative clinical tools for monitoring and resuscitation, cut maternal deaths by 75% and newborn deaths by 40%. In Ghana, introducing Point-of-Care Ultrasound and emergency transport improved care in remote areas and reduced delays. We can also look at leveraging technology, like AI-enabled ultrasound in lower-level facilities or AI-powered fetal monitoring in high-burden maternity wards, to detect complications early and save lives. Ethiopia's government deserves recognition for its bold commitment to harnessing artificial intelligence, standing among the few African nations with a dedicated institute to maximize AI's use and impact. This forward-looking investment will undoubtedly accelerate advancements across sectors, with especially transformative benefits for health.

Capital: How has the economic situation, including budget constraints, impacted maternal health services both in Africa and Ethiopia in particular?

Susan De: The tight fiscal environment has indeed been challenging and makes it difficult to provide easy health facility access everywhere in the country, for example in the form of a hospital or comprehensive health post. However, this has not deterred health sector stakeholders. We have emerging data that shows what else could be done – 'frugal' innovations in service delivery approaches --- to meet Ethiopia's women and children where they are by ramping up community-based engagement in health and adding nurses to health posts staffed by community health workers (health extension workers). Also, the country is pioneering an unprecedented approach to increasing resources for reproductive, maternal, newborn and child health. The Government together with donors, are joining up to potentially unlock $224M (Approximately 75%) toward the estimated $300M three-year gap for needed critical medicines and commodities for women and children. This momentum is also strengthened by the rapid growth of local pharmaceutical manufacturing, with market share increasing from 8% to 41% and targeting 52% by 2025/26.

Capital: What role does Ethiopia's primary healthcare system play in improving maternal health outcomes?

Susan De: It has been critical to improving institutional-based deliveries in the country! By investing in primary health care and scaling up PHC facilities and its health workforce, including over 40,000 community health workers otherwise known as health extension workers – more women now have access to needed care than before in Ethiopia In the early 2000s, only 5% women delivered in health facilities with most women enduring significant risk while delivering at home. In 2016, according to the national demographic and health survey, the number improved to 48%, and now the latest Ministry of Health annual report shows that we are at 80%. Again, the job is not done. Considerable work is still needed to protect and improve maternal health outcomes in the country.

Capital: How effective are Ethiopia's current maternal health policies and programs in reaching rural and underserved populations?

Susan De: Ethiopia has always prioritized equity in its health policies, and you can see this in programs that explicitly focus on communities -- like the Health Extension Program, Community-Based Health Insurance, Mobile Health and Nutrition Teams for pastoralist areas, and initiatives like Village Health Leaders. These efforts have been effective and brought maternal health services closer to communities. But despite these major strides, rural and underserved populations still face big gaps. For instance, facility delivery rates vary widely, with stark urban–rural and regional disparities. These challenges are driven by systemic, financial, and contextual barriers. So while there are still gaps, Ethiopia has a strong foundation to build on. With continued commitment, smarter investments, and innovative approaches, it's possible to close these disparities and ensure every mother has access to safe, quality care, no matter where she lives.

Capital: Are there gaps in healthcare infrastructure or workforce that hinder quality maternal care in Ethiopia?

Susan De: Yes, there are significant gaps in both infrastructure and workforce that affect the quality of maternal care in Ethiopia. While the country has made commendable progress in expanding services and increasing coverage, rural and pastoralist areas still face major challenges. Many facilities lack essential equipment and emergency obstetric capacity such as surgical services, blood transfusion, and laboratory support making timely, life-saving care difficult. On the workforce side, shortages, uneven distribution and adequate compensations of skilled professionals remain critical issues. These challenges are compounded by limited opportunities for advanced training and mentoring in remote areas, as well as weak referral systems and transport barriers. Importantly, these gaps are not unique to Ethiopia. They reflect systemic challenges faced by many countries striving toward Universal Health Coverage (UHC), where resource constraints and workforce shortages continue to hinder progress.

Capital: What innovative approaches or technologies have been introduced recently to enhance maternal health services in Ethiopia?

Susan De: One of the most impactful innovations recently introduced in Ethiopia is called the Postpartum Hemorrhage Bundle of Care. Postpartum hemorrhage – which is severe bleeding after childbirth- is the number one cause of mothers dying during child birth, responsible for about 60% of maternal deaths. The Bundle approach to addressing PPH -- is a standardized package of care that combines the use of calibrated drapes with prompt, appropriate treatment to enable timely detection and management of PPH. Previously, interventions were done separately in sequence and not together. One big challenge has been measuring blood loss accurately. In the past, it was mostly a subjective measurement, which delayed diagnosis. And even after diagnosis, treatment was given step by step, which took time. This bundle approach is a simple but powerful idea. Studies show it can reduce severe blood loss and related deaths by about 60%. A simple plastic sheet labelled with measurements is used to make it easy for health workers to see when a mother is bleeding too much, diagnose quickly, and then give all the treatments together to stop the bleeding before it becomes life-threatening. That means problems are caught early and treated fast—often saving a mother's life.The impact has been huge. Just this year, over 52,000 women received this care in 135 woredas with a goal to reach 1.7 million women in the next four years. It's a great example of how smart, practical innovations can make childbirth safer for every mother.

Capital: How is Ethiopia leveraging data and digital tools to improve maternal health tracking and service delivery?

Susan De: Before 2017, Ethiopia had a fragmented data system that made it very difficult to track service provision at the national level. In 2017, with support from our Data Use Partnership, the Ministry of Health took a bold step toward establishing a unified national data system through the adoption of DHIS2. Today, the platform has full coverage across all public health facilities and captures all service delivery data, marking a major milestone in achieving visibility at every level of the health system. We are also supporting the Ministry of Health and Regional Health Bureaus to strengthen data quality and analysis through interactive dashboards that enable them to monitor reproductive maternal newborn and child health performance more effectively. Moreover, because spot-check surveys are critical for validating coverage indicators and informing health system performance, we worked with the Ministry of Health to support Addis Ababa University in conducting a national RMNCH survey, which has been highly valuable for the Ministry's health programming and planning.

Capital: How do socio-cultural factors and gender dynamics influence maternal health and healthcare access in Ethiopia?

Susan De: Socio-cultural norms and gender dynamics significantly influence maternal health in Ethiopia by shaping when and how women seek care. The journey to motherhood is often dictated by traditions and expectations that run deep. Decisions about pregnancy and childbirth rarely rest with the woman herself. Husbands, mothers-in-law, and elders hold the power to decide if care is sought, while women shoulder heavy workloads and struggle with transport costs. Traditional beliefs often favor home births, as birth is seen as a natural family event best managed at home with reliance on unskilled birth attendant rather than in a facility where complications if arise can be managed. Gender roles further limit women's decision-making power, requiring approval from husbands or elders to access services. Economic constraints and low literacy delay care-seeking, while cultural expectations such as needing male accompaniment make reaching facilities harder, especially in rural areas. These realities are not just traditions—they are delays, missed chances, and lives lost.

Capital: What role do community health workers and local initiatives play in supporting pregnant women and newborn care?

Susan De: In Ethiopia, Health Extension Workers are the frontline link between families and the health system for maternal and newborn care. They do three big things: find pregnancies early, support safe birth, and protect mothers and babies after delivery. Through home visits, they identify pregnant women, counsel on nutrition and danger signs, encourage antenatal care, and help families plan for facility delivery including maternity waiting homes where needed. Around birth and in the early postnatal period, they check mothers for bleeding or infection, promote breastfeeding, assess newborns for danger signs, ensure immunization and postnatal care, and refer complications quickly. Beyond that, they lead health education and prevention like malaria control, hygiene, and sanitation working with community groups to shift norms toward skilled birth and early care. Simply put, Health Extension Workers are central to whether a mother and her baby survive and thrive. Another interesting new initiative that will be a game changer – is Ethiopia's launch of multiple micronutrient supplementation (MMS) to help improve women's nutritional status during pregnancy and birth outcomes for their baby. Daily MMS supplements during pregnancy can reduce the risk of an undernourished (low birth weight) newborn by 14% and reduce the risk of infant mortality in undernourished mothers by 29%.

Capital: What partnerships and international collaborations are critical for advancing maternal health programs in Ethiopia?

Susan De: Partnerships are paramount to meeting the health needs of Ethiopians. The GOE recognizes this and is intentional about shaping productive and impactful partnerships. Achieving the 2030 targets and beyond requires sustained domestic leadership paired with strong global collaboration to ensure that proven interventions are scaled equitably and effectively. The Gates Foundation role aims to nurtures bold ideas, generates evidence, and de-risks innovations. We work collaboratively with governments and multilaterals like the World Bank, the Global Fund, GAVI, UN, UAE and other philanthropies [CIFF, SBTF, ELMA] to accelerate local adaptation and scale of innovations. We do this by intentionally aligning resources, strengthening the country's capacity, and supporting the Government to crowd in with larger financing partners. At the country level, there are several government-led collaborative platforms we are really excited about: One is the SDG Performance fund – where 13 other donors contribute to a pool that commits to funding under-financed areas for reproductive maternal and child health services. A large portion goes towards funding pharmaceuticals and other critical health commodities in addition to health systems strengthening. Pooling really helps weather the shocks should any one donor's funding suddenly drop. Another emerging initiative is Government 1:1 match to recruit and retain critical frontline health workers in areas most in need. It is called the HRH compact. We are supporting this together with another donor; we are excited that other partners are also interested to support. Through partnerships at the global and country level, we are hoping to ensure that catalytic efforts transition into sustained, government-led impact on a national scale.

Capital: What are the most urgent actions Ethiopia should take to reduce maternal mortality and improve maternal well-being by 2030?

Susan De: This is a great question. We have been supporting the Government to analyse trends in Ethiopia and model out different scenarios to inform what to prioritize in order to achieve SDG-3 goals. For maternal health, this analysis is showing that increasing effective coverage (right intervention, right time, sufficient quality) of a focused maternal package can avert ~4,000 maternal deaths in 2030. These results assume the health system can deliver the package with reliable functionality and quality (staff, supplies, service readiness, referral). If those conditions aren't strengthened, then the realized impact will be lower. Under the modelled scale-up, several interventions account for >85% of lives saved, these include - PHC continuum of care for labor & delivery (including the PPH bundle), quality post-abortion care, pre-eclampsia/eclampsia prevention & management, timely caesarean delivery & ectopic pregnancy management, Clean birth environment, Modern contraceptive use, Maternal sepsis case management. If such high-impact interventions could be rapidly scaled as a maternal health 'bundle', with clear targets and accountability across PHC, hospitals, and regional systems – we will see significant reduction in maternal mortality and improvement in maternal well-being by 2030. This is predicated upon continued investment and focus on health-system strengthening So to summarize - Ethiopia can meet its maternal mortality target by 2030 if we do two things in parallel: 1) rapidly scale a small, evidence-based 'maternal survival bundle' across the PHC-to-hospital continuum and 2) strengthen the health-system capabilities that make effective coverage possible.

UNESCO Recognizes Wolaita's Gifaataa Festival as Intangible Cultural Heritage of Humanity

The United Nations Educational, Scientific and Cultural Organization (UNESCO) has officially inscribed Gifaataa, the New Year festival of the Wolaita people in southern Ethiopia, on the Representative List of the Intangible Cultural Heritage of Humanity for 2025. The decision was announced during the 20th session of the Intergovernmental Committee for the Safeguarding of the Intangible Cultural Heritage.

Gifaataa, celebrated between mid-September and early October, marks renewal, reconciliation, and unity among the Wolaita community. The ten-day festival begins with households cleaning their surroundings, mending homes, and making peace with neighbors — creating a spirit of readiness for the New Year. On the main day, families gather to share raw meat and local beer, while elders offer blessings for peace and prosperity. As dusk falls, the community celebrates around bonfires with songs, dances, and rituals symbolizing harmony and continuity.

The festival culminates in Goolo-Igetta, a grand day of collective celebrations featuring horse riding, traditional music, and the final blessings of the elders. Beyond festivity, Gifaataa serves as a space for mediation, cultural transmission, and even matchmaking — offering youth the opportunity to choose partners under community guidance.

Gifaataa holds a vital place in Wolaita's cultural identity. Knowledge and practices surrounding the celebration are transmitted through family traditions, schools, local cultural associations, and community media. It promotes peace, solidarity, intergenerational dialogue, and respect for ancestral customs — qualities that resonated strongly with UNESCO's selection criteria for inclusion on the heritage list.

By recognizing Gifaataa as part of the world's intangible cultural heritage, UNESCO highlights the Wolaita people's enduring commitment to harmony, environmental stewardship, and community resilience. The inscription not only honors Ethiopia's rich cultural diversity but also encourages continued safeguarding and documentation of living traditions that bind communities across generations.

A Slice of Ethiopia Opens in Delhi's Heart

Delhi just got its first African cultural centre — and it's Ethiopian. The newly inaugurated Ethiopian Cultural Centre, tucked away in Chanakyapuri, is a vibrant blend of café, museum, and community space that brings East Africa closer than ever to the Indian capital.

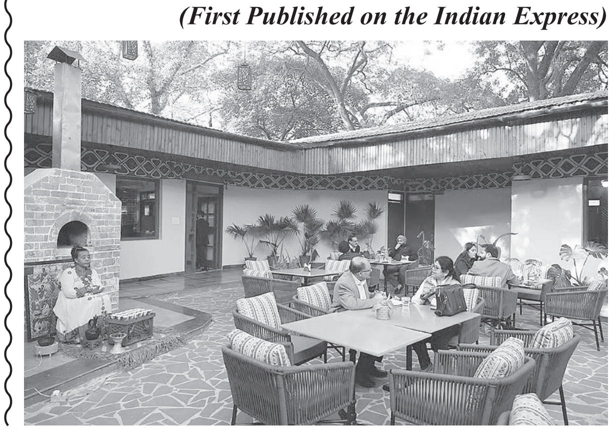
The centre is the initiative of Ambassador Fesseha Shawel Gebre and his deputies Molalign Asfaw and Bizunesh Meseret of the Ethiopian Embassy. Designed by Devashish Kishore, the space captures the aesthetics of Ethiopian life, with bamboo, wood, and earthy tones inspired by the rock-hewn churches of Lalibela, a UNESCO World Heritage Site. Bright yellow meskel flowers — symbols of fertility and hope — adorn the interiors, while handcrafted Ethiopian wall art adds texture and storytelling to the ambience.

Visitors can explore a museum section featuring tribal hats, baskets, instruments, and archival photographs — vivid reminders of Ethiopia's rich heritage and its unexpected cultural echoes with India.

At its heart lies a café that celebrates Ethiopia's legendary coffee tradition. Guests can join the traditional coffee ceremony, where freshly roasted Arabica beans are brewed in a clay pot called a jebena. Chef Mulunesh Ayele leads the kitchen, serving homestyle Ethiopian dishes built around injera, the signature fermented flatbread. Highlights include Beyaynetu, a platter of stews both vegetarian and meat-based, and Doro Wat, the famed spice-rich chicken stew seasoned with berbere, Ethiopia's aromatic spice mix.

Membership applications are now open to the public, inviting Delhiites to enjoy a slow lunch under the trees while discovering a taste — and soul — of Ethiopia. For the city, the centre marks not just a culinary addition, but a new cultural bridge between India and Africa.

(First Published on the Indian Express)



HOT MUSIC TABLE

DECEMBER 04 - DECEMBER 11, 2025

HOTTEST ARTISTS

RANK	ARTIST	RADIO	TV	TOTAL PLAY
1	Robel Mideksa	118	28	146
2	Dawit Tsige	98	42	140
3	Dawit Mellesse	130	6	136
3	Hana Girma	97	39	136
4	Neway Debebe	101	21	122
5	Veronica Adane	85	18	103
6	Michael Belayneh	81	21	102
7	Addis Legesse	54	43	97
8	Fikeraddis Nekatibeb	35	39	74
9	Sara T	53	16	69
10	Mastewal Eyayu	56	12	68

THIS DATA IS GATHERED BY A 24/7 AUTOMATED RECORDING & ANALYZING AII SYSTEM FROM 35 TV & RADIO STATIONS. THERE WERE MORETHAN 7,596 TOTAL MUSIC PLAYS ACROSS THE BROADCAST MEDIUM FOR THIS WEEK.

BROUGHT TO YOU BY - OMNIMEDIA ETHIOPIA

HOTTEST TRACKS

RANK	TRACK	ARTIST	RADIO	TV	TOTAL PLAY
1	Hayyee	Hana Girma	80	28	108
2	Shall I Call you	Robel Mideksa	74	4	78
3	Gora Be	Sara T	53	16	69
4	Ney Enhid	Robel Mideksa	44	24	68
5	WOZE	DIDIGAGA	30	30	60
6	Ethiopia	Tewodros "Teddy Afro" Kassahun	47	0	47
7	Kome Limerkish	Tilahun Gessesse	38	8	46
7	Ende Amele	Lemlem Hailemichael	28	18	46
8	Jigaakoo	Mergitu Workineh	26	16	42
9	Yamegnal	Fikeraddis Nekatibeb	5	36	41
10	Kurfya	Veronica Adane	31	8	39
10	Etu	Addis Legesse	21	18	39

Society

By Tesfu Telahoun

A STRATEGIC IMPERATIVE AMID GLOBAL SUPPLY CHAIN SHIFTS PIONEERING OCEAN FREIGHT FOR ETHIOPIA'S BLOSSOM EXPORTS

By Mekonnen Solomon

As a senior staff member and horticulture export coordinator at Ethiopia's Ministry of Agriculture, I have enthusiastic to advancing the nation's floriculture sub sector, particularly its vibrant rose, summer flower and ornamental cutting export business. This subsector stands as a beacon of economic promise, generating substantial foreign exchange and employment opportunities. However, in the face of mounting challenges—ranging from escalating costs of jet fuel and increasingly stringent sustainability regulations—the industry's traditional reliance on air cargo is proving unsustainable.

I contend that the pilot sea freight shipment of flowers executed in June 2025 represents a ssignificant milestone. This initiative, involving four prominent Ethiopian flower farms from low land, mid land and highland and transport of approximately 247,915 stems of summer flowers and roses totalling 7,177 kilograms to Europe, not only demonstrates the feasibility of ocean transport but also illuminates a pathway toward cost reduction, enhanced resilience, and long-term competitiveness. By potentially slashing logistics expenses by 50-70%, this approach could fundamentally reshape Ethiopia's horticultural exports, serving as a model for other developing economies navigating similar transitions.

To fully appreciate the significance of this pilot, one must contextualize it within the broader dynamics of Ethiopia's flower trade. Our flower industry has grown exponentially since the early 2000s, positioning Ethiopia as one of Africa's leading exporters, second only to Kenya in some metrics. According to reports from the Ethiopian Customs Authority, flower exports contribute over 10% of the nation's agricultural exports, yielding more than $500 million annually and supporting thousands of jobs, particularly for women in rural areas. Yet, this success has been predicated on airfreight, which accounts for the majority of shipments due to the perishable nature of cut flowers. Air cargo offers speed—typically 2-3 days to European markets—but at a steep price. Freight rates have surged in recent years, exacerbated by global events such as the COVID-19 pandemic, fuel price volatility, and geopolitical disruptions. Moreover, environmental imperatives, including carbon footprint standards imposed by the European Union, demand greener alternatives. In this context, the shift to sea freight is not merely an option; it is an economic and ecological necessity.

The 2025 pilot shipment, evaluated during the Fresh Fruits and Vegetable Export event on June 27, 2025, at the Haile Grand Hotel, was a collaborative endeavour involving farms, freight forwarders, shipping lines, and regulatory bodies. This multi-stakeholder approach exemplifies the kind of partnerships required for innovation in developing markets. The selection of the Mediterranean Shipping Company (MSC) for flower shipment as the carrier was a astute decision, leveraging its secure route through the Red Sea and Suez Canal—a corridor that many competitors have shunned amid Houthi attacks from Yemen. MSC's feeder service from Djibouti to King Abdullah Port in Saudi Arabia, combined with the reuse of inbound reefer containers, minimized equipment repositioning costs, saving an estimated $3,000 to $3,500. As someone deeply involved in export coordination, I advocate for such strategic alliances, which not only reduce financial burdens but also build capacity through knowledge transfer.

Delving into the logistical framework, the choice of a standard refrigerated (reefer) container over a controlled atmosphere (CA) variant merits particular attention. CA containers, commonly used in Kenyan flower shipments, maintain optimal oxygen and carbon dioxide levels to extend shelf life. However, for this pilot, the team opted against it, citing cost savings of about $1,500, the challenges of uniform settings for diverse flower types, and a projected transit time under 30 days where temperature control sufficed. This pragmatic decision paid off in terms of economics but highlighted vulnerabilities in product quality during extended voyages. Pre-shipment preparations, including a pre-trip inspection (PTI) by a Thermo King engineer in Ethiopia—due to the lack of local facilities—ensured equipment reliability. Yet, this reliance on external expertise underscores a critical infrastructure gap. In my view, investing in domestic PTI centers is imperative; such facilities would not only streamline operations but also create skilled jobs and reduce dependency on imports.

Packaging and loading processes further revealed areas for improvement. Flowers, pre-treated under guidance from Flower Watch, were repacked from airfreight boxes into sea freight cardboard containers at a central packhouse. These were then stacked on plastic pallets to comply with European regulations prohibiting untreated wooden materials, which could harbor pests. The loading operation, completed in 1.5 hours with a hired forklift, exposed physical mismatches: container heights incompatible with loading bays and insufficient door clearances for tall pallets. Upon arrival in the Netherlands, inspections noted collapsed boxes from aged materials, leading to poor air circulation and temperature inconsistencies. These issues, while surmountable, emphasize the need for tailored infrastructure. I strongly recommend distributing sea freight packaging directly to farms to eliminate repacking inefficiencies, training dedicated packing teams, and upgrading facilities with adjustable bays. Such enhancements would mitigate quality risks and align with international standards, ultimately boosting exporter confidence.

Inland transportation utilized the return leg of an import truck, promoting cost efficiency through equipment reuse. However, the potential of the Ethiopia-Djibouti railway looms large as a superior alternative. This rail link, connecting Mojo to the port, offers lower costs, reduced emissions, and direct terminal access, potentially shortening inland transit from days to hours. Challenges remain, such as advance booking requirements and genset compatibility— the pilot's genset, owned by the freight forwarder Intermodal, could not enter Djibouti's terminal without complications. Exploring options from Djibouti Container Services or Ethiopian Shipping and Logistics could resolve this. From my perspective, integrating rail into flower logistics would catalyse a modal shift, alleviating road congestion and enhancing sustainability. Policymakers should prioritize incentives for rail adoption, including subsidies for compatible equipment, to realize these benefits.

The ocean transit phase presented a tapestry of complexities and insights. Departing from Djibouti, the container transited to King Abdullah Port, then Al Aqabah in Jordan, Port Said and Damietta in Egypt, and finally Valencia in Spain before reaching the Netherlands. An unplanned transhipment in Damietta accelerated the journey, but the route's intricacies—navigating Red Sea risks and multiple ports—underscored geopolitical vulnerabilities. Alternatives like direct routes to Rotterdam or Antwerp were evaluated but rejected due to longer times (32-38 days to Rotterdam, about 28 to Antwerp), heightened transshipment risks, and port congestions from labor strikes. Remote monitoring via MSC's iReefer system provided real-time temperature and status data, yet access was limited to the booking party, restricting shipper involvement. To address this, I propose assigning booking responsibilities to exporters or consignees, enabling direct oversight and quicker issue resolution.

Regulatory and documentation challenges formed another layer of hurdles, demanding formulation of systemic guideline. An unforeseen requirement confirmation letters from some sectors involved stamped applications and physical submissions, delaying preparations. Customs clearance necessitated commercial invoices, packing lists, bank permits, and USD payments to Djiboutian accounts— a stark contrast to the local currency simplicity of airfreight. Discrepancies, such as mismatched quantities, absent preferential origin statements, and incorrect consignee details, compounded timelines. Phytosanitary inspections, sampling only two boxes per farm, required meticulous certificates with precise shipper data, net weights, and pre-shipment preparation dates.

In Valencia, transhipment extended beyond the anticipated 2-3 days due to procedural issues: the consignee's (Rosa Plaza) EUROPO registration for CHED.PP documentation, demands for original signed letters of authority and indemnity, and inconsistencies like missing False Codling Moth statements. Physical surrender of original bills of lading highlighted the advantages of master bills for streamlined clearances. Phytosanitary documents and T1 transit forms also required exact weight and address alignments, with local agent refusals adding friction.

These experiences reinforce my opinion that digitalization is key to future success. Adopting platforms for electronic documentation, pre-arrival verifications, and proactive CHED.PP filings could condense transits to 2-3 days. Collaborative frameworks among shippers, forwarders, and authorities would standardize processes, eliminating ad hoc demands like ministerial letters. Moreover, harmonizing regulations across East Africa could foster regional synergies, allowing Ethiopia to learn from Kenya's established sea freight practices while tailoring solutions to our unique context.

Economically, the pilot's implications are profound. At the June 24, 2025, exchange rate of 0.86801 USD to EUR, sea freight demonstrated savings of 50-70% over air transport, making it accessible for smaller farms and diversifying market access. However, extended transits—aggravated by infrastructural deficits and geopolitical risks—pose quality threats to perishables, necessitating cold chain investments. For Ethiopia's economy, scaling this model could mitigate airfreight volatility, bolster competitiveness, and drive inclusive growth. Thousands employed in the sector stand to benefit from stabilized operations, while foreign exchange earnings could surge with expanded volumes.

In conclusion, the 2025 sea freight pilot, though fraught with obstacles, validates ocean transport's potential for Ethiopian horticulture. As we adapt to global uncertainties, refined logistics—emphasizing direct monitoring, upgraded infrastructure, and regulatory efficiency—will unlock sustainable progress. Policymakers must act decisively: establish PTI facilities, integrate rail, and digitize processes. Ethiopia's leadership in this arena could inspire emerging markets worldwide, transforming challenges into opportunities for resilient, eco-friendly trade. This is not just an opinion; it is a call to action for a thriving future.

Mekonnen Solomon is a Senior Staff and Horticulture Export Coordinator Ministry of Agriculture, Ethiopia, and can be reached at ehdplan@gmail.com.

Digital Currents: Apart, Together

By Befikadu Eba

The scene is playing out in living rooms across cities, and even in our rural towns where the network reaches. The family is together, the shared meal is prepared with care, but a strange, pervasive silence hangs over the table. It is not a peaceful quiet. It is the silence of absorption. Heads are bowed, not in prayer or shared thought, but in the light of individual screens. A teenager snickers at a TikTok trend, a father scrolls through political hot-takes on Facebook, a mother is mesmerized by the curated lives on Instagram. The spoon moves from plate to mouth, but the connection, the foundational chatter that binds a family - and by extension, a society - is gone. We are together, alone.

This is the new frontier of our anxiety. It is not just that social media consumption in Ethiopia has reached an unprecedented peak. No. It is that its tidal wave is now washing away the very ground we stand on. We have moved past a simple worry over wasted time. We are now witnessing a quiet, daily erosion of the structures that have held us fast: family, communication, shared values, and the patient building of a future.

Look at the adults. The drive for a better life, that has always defined Ethiopian ambition, is being subtly outsourced to the digital realm. The hard, tangible work of building a business, mastering a craft, or even nurturing a deep conversation with a spouse is competing with the easy dopamine of endless scrolling. The phone becomes a shield, not a tool. Couples lie in bed together, worlds apart, immersed in separate digital universes. When a disagreement arises, the courage to listen, to lean into the uncomfortable silence of resolution, is lost. It has become easier to retreat into the phone, where algorithms affirm our existing views and offer the illusion of connection without the demand of compromise. We are forgetting how to talk, and more crucially, how to listen.

But this adult distraction is a luxury we cannot afford, for our children are not just following suit - they are being born into this river and learning to swim in its deepest, most addictive currents. Their reality is being shaped from the first swipe. The question that haunts every thoughtful parent and elder is no longer just about grades, but about character: How will these children, whose heroes are influencers and whose textbooks are 60-second videos, learn to lead? How will they ensure the continuity of our statehood, a concept built on deep historical memory and collective responsibility, when their primary community is global, algorithmic, and utterly ahistorical?

The ladder of success in their eyes is being dramatically rerouted. Education, that slow and steady furnace of the mind, feels like a dusty, uphill path compared to the rocket-ship of viral fame. Why labor over physics or Amharic literature when a trendy dance or a provocative content can bring instant validation and the whispered promise of income? We are seeing time and again that content with no substance but more like a revolt to the society's norms are being celebrated and hence reproduced - draining our value. Not all values we have as a nation can be productive. But this trendy move is deleting whatever it is that we have. The values being promoted by this system - instant gratification, personal branding, and shock over substance - are nowhere near what we need to solve our collective challenges. They are the values of consumption, not construction. The economic loss is staggering when we consider it: a generation of potential innovators, engineers, farmers, and thinkers whose attention and creativity are being harvested for corporate profit abroad, leaving our local fields of progress unsown.

Worse, our core values are not just being ignored. They are being actively dismantled by the logic of the algorithm. Topics that our society, like any mature society, once handled with depth, context, and communal guidance are now thrown into the chaotic, global gladiator arena of trends. There is no more eldership, no elder's wisdom, no cultural container. There is only engagement - and what drives engagement is often conflict, scandal, and the flattening of complex truths into shareable slogans. Our respect for age, our profound sense of community obligation, our resilience - these are quiet, slow-burning virtues. They do not trend. They cannot compete with the flash of digital outrage.

And in a final, painful twist, even some of our trusted mainstream media, feeling the vacuum of our attention, often choose to pour fuel on this fire. To attract viewers and clicks, they mimic the sensationalism, prioritizing speed and emotion over depth and truth. The freedom of information is sacred, but we must ask: freedom for what? If this freedom primarily serves to fragment our attention, poison our discourse, and leave our families silent and disconnected, what have we truly gained? We risk having all the information in the world, and no shared wisdom to understand it. The fear is no longer just about a lost generation, but a lost essence. Reclaiming our future requires us to make the tangible world of connection more compelling than the virtual world of consumption. It is in the daily choice to prioritize the person in front of us over the device in our hand. For if we look ahead and see only a nation of individuals staring into separate screens, we will be left with nothing but the echo of our own isolation. The scroll must not replace the soul. Our continuity depends on remembering the difference.

The solution, as all great change does, begins at home. Parents must find the courage to enact the collective pause. This means creating sacred, screen-free zones. It means planning activities - a walk, storytelling, a board game, cooking together - that are so engaging in their realness that the virtual world temporarily loses its allure. It means modeling the behavior we want to see, having the discipline to put our own phones away and be fully present with our children and our spouses. We must rebuild the art of conversation, teaching our children to listen and to argue with respect, face-to-face.

Our schools must become fortresses of focused thought. Teachers are now stewards of attention. This means redesigning lessons to be deeply participatory, connecting curriculum to the tangible wonders and challenges of Ethiopia. It means creating projects that send students into their communities to interview elders, document local history, or solve local problems. Education must not just fill minds with facts, but arm them with critical thinking to dissect the digital world they inhabit.

For our government and leaders, the role is to cultivate a healthier digital ecosystem. This means championing and investing in Ethiopian digital creators who produce content of depth, beauty, and substance about our own stories, science, and arts. It means weaving true digital literacy - understanding algorithms, data privacy, and the psychology of persuasion - into the heart of our national curriculum. Public campaigns should frame our collective attention as a precious national resource to be safeguarded.

And our elders, as the keepers of the flame, their vital task is the gentle, persistent telling of stories. Not just the grand histories, but the everyday tales of resilience, community, and resolution. Invite the young in. Remind them, through lived experience, of the strength that comes from looking someone in the eye, from patience, and from the deep roots of shared culture that no algorithm can replicate.

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Rethinking ESG in Ethiopia: A Culturally Rooted Approach

By Mesfin Teshome

There seems to be an endless stream of announcements lately regarding the topic of ESG–the acronym for Environmental, Social and Governance framework. From financial products, partnerships, to trainings, the topic is permeating the Ethiopian news landscape at great speed. In many ways, ESG has entered our national conversation not quietly, but with the force of something that is reshaping expectations across sectors. A few important events have accelerated this momentum, chief among them the National Bank of Ethiopia's directive requiring banks to integrate ESG principles into their core operations. We are now hearing terms like "green financing" and "gender bonds," with much of the conversation revolving around the financial sector's evolving responsibilities.

Globally, ESG principles are not seen as a simple checklist to fulfill corporate social responsibility duties, but increasingly as mandatory requirements. A good example is the Corporate Social Reporting Directive (CSRD), legislation that requires over 50,000 EU companies to report detailed ESG metrics–from strategies on pollution prevention to board diversity breakdowns. Ethiopia is also not immune to the impact of stringent regulations introduced elsewhere. With the announcement of the EU Regulation on Deforestation-free Products (EUDR) in 2023, Ethiopian coffee producers must now provide geographic coordinates to prove that their coffee is grown on non-deforested land. By all indicators, ESG has become a financial decision. Organizations that embed it in their strategy are better positioned to access global markets, attract investors, mitigate operational disruptions, and avoid fines or legal obstacles.

Yes, ESG is all about measures, data-driven impact and embedding quantifiable sustainability outcomes, but the way it is often described makes it sound like a brand-new obligation we have to quickly study and comply with. Yet if we look closely at its core essence-environmental stewardship, communal wellbeing, ethical leadership-these are values deeply rooted in our culture. Which of us is not familiar with iddir, the traditional mutual-aid association that binds communities together? And what about environmental preservation? We have

UNESCO-recognized practices like the Konso terraces, landscapes intentionally engineered to conserve water and prevent soil erosion. Governance, too, is not foreign to us. The shimgilina or elders' councils, who mediate conflict and uphold customary laws, mirror essential governance principles. And gadaa - a sophisticated governance system that organized social, political and economic life for centuries, is yet another reminder that structured leadership and accountability frameworks are not new concepts here.

This isn't meant to imply that we know it all and there isn't room to learn. Rather, it is about bridging Ethiopia's cultural foundations of sustainability with emerging global frameworks. As it stands, there are still gaps that make ESG adoption challenging, particularly the lack of a shared understanding and a platform to explore what ESG truly means in the Ethiopian context. It is imperative to recognize that the principles and requirements that come with ESG will not be confined to the financial sector. As Ethiopia accelerates its economic reforms and expands its industrial base, no sector will remain untouched. While the changes may feel daunting, they also present an opportunity to rise to the moment and begin asking what ESG means for each of us in our respective fields. It could start with simple questions: How do we make our impact more measurable? What standards need to guide our actions? What practical steps can we take? And how do we build stronger partnerships and communities of practice as Ethiopia enters a chapter where frameworks like ESG will become the new norm?

The path ahead will require learning, alignment and new ways of working, but it does not require abandoning who we are. Ethiopia has long held the principles that ESG now asks the world to measure. Our task is to translate these values into systems, standards and partnerships that meet today's realities. If we can do that together, ESG will not feel like an obligation imposed on us, but an opportunity shaped by us, one that carries forward our heritage while preparing the country for what lies ahead.

Mesfin Teshome is the Co-founder and Managing Director of Resolution Studio, a social impact creative and strategy consultancy based in Addis Ababa. Resolution Studio is also the convenor of The ESG Forum 2026, a national platform advancing dialogue on Environmental, Social and Governance integration in Ethiopia.

Instant Payments, Big Data & High Availability: Why Banks in Ethiopia Need a Robust Data Backbone

By Demos Kyriacou

Instant payments, big data and high availability are not abstract concepts for Ethiopia's banking sector; they are the practical scaffolding on which the country's financial modernisation will be built. In November 2025, EthSwitch, Ethiopia's national payments switch, announced a strategic partnership with Mastercard to enhance the country's digital payment ecosystem. This collaboration enables Ethiopian banks to issue globally accepted prepaid cards and connect more effectively with international payment networks.1 While this development highlights the country's integration into global finance, it also underscores a pressing requirement for local banks: a robust, resilient, and high-performance data backbone capable of supporting instant payments, managing large-scale data flows, and ensuring continuous service availability.

Instant Payments: Transforming Customer Expectations

The National Bank of Ethiopia has prioritised the scaling of instant payments as part of its Digital Payments Strategy2, aiming to achieve interoperability across financial institutions, enhance settlement speed, and broaden merchant acceptance. Platforms such as Telebirr illustrate the rapid adoption of digital financial services, processing trillions of birr in transactions and serving more than 30 millions users.3 Customers now expect near-instantaneous transfers, seamless merchant payments, and a reliable service that is available around the clock.

Delivering on these expectations requires backend systems capable of processing transactions with minimal latency. Traditional branch-centric IT infrastructures cannot support this demand. Instead, banks need centralised, cloud-ready platforms hosted in secure data centres featuring clustered databases (multiple servers working in parallel), synchronous replication (data instantly duplicated across geographic locations), and automated failover (switching to backup systems without manual intervention). This architecture ensures transactions flow smoothly even during peak demand or unplanned outages.

Big Data: Turning Transaction Volumes into Strategic Insights

Instant payments generate substantial transaction data, but real value emerges when banks harness this information for advanced analytics. Fraud detection systems can identify suspicious patterns as transactions occur. Credit scorers gain richer datasets for lending decisions. Anti-money laundering compliance becomes more accurate. Personalised customer offerings reflect actual behaviour rather than assumptions.

The critical insight: transaction velocity creates a virtuous cycle. High transaction volumes generate timely data, which enables real-time analytics, which supports faster decision-making, which drives further adoption. Supporting this requires scalable computing, distributed storage, and low-latency access while maintaining compliance with local data-residency regulations. A well-architected backbone enables institutions to monitor risks proactively, prevent fraud losses, and make informed credit decisions—directly increasing operational efficiency and customer trust.

Operational Resilience - A Non-Negotiable Requirement

High availability is not merely a technical preference; it is a strategic necessity. Customers expect 24/7 access to banking services, and any downtime can lead to financial losses, regulatory scrutiny, and reputational damage.

Ethiopia's electricity network has expanded significantly in recent years, but variability in power reliability across regions remains a challenge. Banks must invest in data-centre infrastructure that includes backup power (uninterruptible power supply systems and generators), redundant sites across different locations, geographically distributed replication, and automated failover mechanisms. They also need redundant network connectivity to ensure uninterrupted service. These investments are substantial; a tier-3 secure data centre can require significant capital expenditure, typically 15-25 million USD4, but the cost of downtime far exceeds the cost of prevention. By embedding operational resilience into their infrastructure, financial institutions can maintain continuity under adverse conditions while reinforcing trust with customers and regulators.

Security and Compliance: Safeguarding Trust

As banks process ever-increasing volumes of sensitive data, security becomes paramount. The integration of local and international payment systems, as highlighted by the EthSwitch–Mastercard partnership, increases the exposure to potential cyber threats. Robust security measures must be an integral part of infrastructure design. Physical security, access controls, network segmentation, and continuous monitoring are essential to protect both customer information and operational integrity.

Secure connectivity between banks, payment processors, and international networks further reduces risk. Direct private links, as opposed to public internet pathways, can improve both security and performance for high-value transactions such as payment settlements and identity verification. In addition, auditability and comprehensive logging ensure compliance with regulatory requirements, enabling institutions to detect anomalies, investigate incidents, and demonstrate accountability.

Innovation: Building the Banking Services of Tomorrow

A strong, high-performance data backbone also creates opportunities for innovation. With reliable systems in place, banks can leverage instant payments and big data to develop new products and services. Co-branded prepaid cards, digital wallets, merchant lending solutions, and embedded financial services are all enabled by infrastructure that is scalable, secure, and always available.

By integrating analytics capabilities, financial institutions can offer personalised financial products based on customer behaviour and risk profiles. Real-time insights allow banks to proactively manage risk, optimise credit decisions, and enhance customer experiences. The infrastructure backbone thus becomes a strategic enabler, supporting not only day-to-day operations but also the creation of differentiated, value-added services that drive growth and financial inclusion.

Enabling Financial Inclusion

The expansion of digital payments and the integration with global networks provide a significant boost to financial inclusion. Co-branded cards connected to international payment systems offer customers, including previously unbanked populations, access to global commerce. Merchants, particularly small businesses and those in rural areas, can participate in digital trade without being constrained by cash-based transactions.

However, these benefits depend on reliable infrastructure. A strong data backbone ensures that payment services remain available, secure, and capable of processing high transaction volumes. In this way, infrastructure investment directly translates into broader participation in the digital economy, supporting both economic growth and inclusion objectives.

The EthSwitch-Mastercard partnership illustrates the potential for global connectivity and expanded financial services, but realising this potential requires investment in infrastructure that is reliable, secure, and scalable. Banks that prioritise data backbone development will not only meet customer expectations but also gain competitive advantage through risk management, operational efficiency, and the ability to innovate rapidly

In an era where digital payments drive economic activity, the institutions that move decisively on infrastructure will lead the market. Those that delay risk losing customers, reputation, and market share to competitors leveraging modern, resilient systems. By investing in a robust foundation today, Ethiopian banks can ensure they remain relevant, competitive, and trusted in the digital economy ahead.

Demos Kyriacou is Deputy CEO, COO & Co-founder, Wingu Africa

HOW BANK BEHAVIOR IS HIJACKING ETHIOPIA'S FOREX REFORMS

By William Brooks

The Ethiopian birr dances a frenetic, unpredictable tango on Bank and forex bureau screens today, a stark departure from the rigidly choreographed performance of previous eras. Since the pivotal decision to loosen the grip of strict government control and embrace a more market-determined foreign exchange regime, the national currency has embarked on a volatile journey. The rate has surged to over twice its pre-reform value, a numerical testament to a profound economic transition. This shift, while fundamentally aligned with sound economic principles, has laid bare the complex realities of an economy in undergoing a structural change. The core economic truth is inescapable: in a nation wrestling with limited export diversification and a formidable appetite for imports, the innate market pressure, all else being equal, points towards depreciation. The policy challenge, therefore, transcends the simple adoption of a floating regime. It evolves into an issue of managing the transition, where the core principles must be judiciously woven with a deeply responsible and inclusive orientation to governance. The recent dynamics surrounding the National Bank of Ethiopia's (NBE) forex auctions offer a compelling, if concerning, case study in this delicate balance.

From a purely theoretical standpoint, the move towards a market-responsive exchange rate is a cornerstone of modern financial economics. It allows the price of foreign currency to act as a critical signal, reflecting the true relative scarcity of foreign exchange, encouraging export competitiveness, and rationing imports. It is a necessary long-term medicine for an economy seeking integration and efficiency. However, financial economics is not a doctrine applied in a vacuum; it is a discipline acutely aware of frictions, imperfections, and transitional pathologies. The current Ethiopian context is characterized by such frictions: an inelastic demand for essential imports—from pharmaceuticals to industrial inputs—and a supply of forex that is constrained by modest export earnings and remittance flows still navigating new formal channels. In this setting, the textbook model predicts overshooting and heightened volatility. The exchange rate doesn't glide to a new equilibrium; it can lurch, driven by pent-up demand and speculative anxieties.

It is precisely to temper this volatility, to smooth the transition, that the NBE has rightly assumed its role as a stabilizing actor through the forex auctions. This is textbook central banking: providing liquidity to an illiquid market to prevent disruptive gaps. Yet, the mechanism's outcomes are revealing a critical friction not in the macroeconomic structure, but in the intermediary behavior of the commercial banks. What we are observing is a poignant example of a short-term profit motive trumping long-term market stability and collective welfare. In their urgent quest to cover their own forex liabilities and meet client demands, banks are bidding at auctions at rates that exceed the prevailing interbank or open-market rates. This is not a mere competitive scramble; it is an action with profound signaling power. By validating these elevated levels in the formal auction setting, they effectively rubber-stamp a new, higher benchmark. The subsequent effect is a ratchet: today's auction price becomes tomorrow's market reference, creating a self-fulfilling prophecy of ascent.

This aggressive bidding reveals a further layer of institutional myopia. Ironically, many of these same banks are now paying a steep price for the very opposite behavior in the pre-reform era. For years, operating within a controlled system, a culture of over-trading in foreign exchange positions became prevalent—taking on significant forex liabilities without the genuine hedging discipline a true market demands. Now, as the birr depreciates sharply, these accumulated imbalances are crystallizing into substantial valuation losses on their own books. They are, in effect, caught in a pincer movement: suffering losses from the legacy of a distorted past while their present actions actively worsen the conditions causing those losses. Their frantic bidding is thus not merely profitseeking; it is also a defensive scramble to cover exposed positions, a reactive maneuver that tragically amplifies the very systemic risk they seek to mitigate for themselves.

The economics of this behavior are clear for the individual bank: secure the currency at any attainable price, maintain the sacred buy-sell margin, and pass the full cost—plus commission— onto the importer client. The bank's ledger remains protected; its profitability on the transaction may even be enhanced. But this is where responsible governance must vehemently interrupt the narrow financial calculus. This micro-rationality sums into a macro-irrationality, a collective action problem where the pursuit of individual stability undermines systemic stability. The consequence is a transmission of relentless inflationary pressure. Every birr devaluation captured in these auction spikes translates directly into higher costs for essential imports. These costs cascade through the economy, inflating the price of medicines, fertilizer, machinery, and ultimately, the cost of living for every Ethiopian citizen. To ask, "Do the banks care about the public consequence?" is to ask a question about the very soul of financial intermediation. An institution that is truly customer-centric, that views its role as a fiduciary partner in national development, must look beyond the immediate quarterly statement.

This is not a plea for a return to heavy-handed control, nor a suggestion that the NBE should force banks to participate at artificially low rates—such a move would simply kill the auction and drive activity into the shadows. Rather, it is an argument for a recalibrated understanding of enlightened self-interest and regulatory stewardship. The NBE, in its commendable mission to stabilize, operates within its direct tools: injecting supply and setting auction parameters. However, the ceiling of sustainable rate increase—the point beyond which social and economic stability is jeopardized—can only be reached if all actors in the ecosystem share the burden of responsibility. The commercial banks must recognize that their role is not that of passive spectators in a market they decry as unstable, but active co-pilots. Exercising restraint in auction bidding, developing more sophisticated forex risk management for their clients, and innovating to foster export sectors are not charitable acts; they are strategic imperatives for operating in a fragile, transitioning economy. Their long-term viability is inextricably linked to the nation's macroeconomic health.

Ultimately, the path forward demands a synthesis. Financial economics provides the map: a market-determined rate is the destination, but the journey requires buffers, signals, and managed expectations. Responsible and inclusive governance provides the compass: every policy and commercial decision must be gauged against its impact on the broader public, on the small business owner needing imported spare parts, on the family budgeting for household necessities. The NBE's auction is more than a liquidity window; it is a theater where this synthesis is tested daily. For the reforms to succeed, for stability to emerge from the current volatility, the actors on this stage must play their parts with a dual consciousness: of the rational profit motive and of the profound social contract inherent in managing a nation's currency. The quest is not for a perfectly stable, artificially pegged rate, but for a credible and responsibly guided journey towards a market rate that reflects economic fundamentals without being hijacked by short-term opportunism. In this endeavor, looking beyond the immediate bid is the very essence of both sound economics and patriotic duty.

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CRYPTO AND FINTECHS EYE AFRICA'S YOUTH

By Bonface Orucho, bird story agency

Africa's next generation is emerging as the new battleground for digital finance, as global crypto exchanges and African fintechs race to shape how children save, learn and interact with money. Chinese crypto platform, Binance has now entered that race. This month, the exchange launched Binance Junior, a parent-controlled savings app for users aged six to seventeen that introduces digital assets in a supervised, education-first setting.

The launch comes with a second product, an illustrated A-to-Z "ABC's of Crypto" book aimed at making crypto concepts accessible inside mainstream households.

According to sector analysts, financial platforms have been "more deliberate to offer youth financial education."

"Over the past three years, we've seen a decisive shift from one-off financial-literacy campaigns toward structured, long-term tools designed specifically for minors," according to Moses Kimathi, a Nairobi-based digital-finance researcher.

"Platforms are realising that the first financial behaviours a child forms, how they save, how they understand value, how they make digital payments, tend to persist well into adulthood. Whoever supports that learning curve today is likely securing a customer for the next decade."

He also believes it reflects a wider shift inside the crypto industry, where platforms are pivoting from speculative trading toward long-term customer acquisition built around low-risk, family-centric financial habits.

Binance Junior blends supervised savings with simplified learning modules. The children's book converts crypto jargon into everyday language that parents and teens can navigate together. The company says growing global demand for basic crypto knowledge prompted the learning push. The book is available in fifteen languages, in both digital and limited print formats. Binance Co-CEO Yi He frames the products as a way to integrate Web3 knowledge into daily life, much as mainstream payment apps entered households. The goal is to make crypto literacy a family conversation rather than a technical niche.

This strategy aligns with a broader shift across Africa's financial sector, where youth-focused savings products are expanding quickly and reshaping expectations around early financial literacy. In late 2024, Stanbic Bank Ghana unveiled a Youth Banking Proposition offering a trustee-managed savings account for children aged 0–17, plus a dedicated youth account for 18–25-year-olds, creating a full lifecycle banking path from early childhood to young adulthood.

Other banks are moving in similar ways. Absa Bank Tanzania recently introduced a Youth Savings Account for 18–30-year-olds, built around fee-free digital banking, debit-card access and mobile-first onboarding. Ecobank has expanded its footprint through a partnership with Junior Achievement Africa under the "Junior Savers" initiative, bringing financial literacy and structured savings tools to school-aged users across multiple West and Central African markets.

Newer models are emerging too. In January 2025, Liberia launched a youth-focused entrepreneurship investment bank backed by the African Development Bank, signalling that youth financial inclusion is becoming part of broader economic planning, not just retail banking. Digital savings platforms are also seeing sharp growth, with parents increasingly creating structured savings wallets for children. PiggyVest now reports more than five million users, many using sub-accounts to save for dependents.

Safaricom's M-PESA Go, launched in late 2022, allows 10–17-year-olds to access a supervised mobile-money wallet with parental controls. According to Safaricom's 2023 report, the company had onboarded nearly 2.9 million child-linked wallets, underscoring strong uptake among its younger user base.

Asset-management players are adjusting too. Kenya's Zimele Unit Trust reports growing uptake of its low-risk Junior Fund, driven by parents seeking structured, regulated ways to introduce minors to formal finance. Binance's latest launch coincides with broader blockchain adoption in Africa. On-chain cryptocurrency activity surged 52% year-on-year across Africa in the 12 months to June 2025, according to the Chainalysis Global Crypto Adoption Index. Use cases are increasingly practical—payments, remittances, property, healthcare and financial inclusion.

Cross-border transfers remain expensive, with fees averaging 7.9% for a US$200 transaction. Blockchain solutions now allow users to send money instantly at a fraction of the cost, a lifeline for small businesses and migrant workers.

In South Africa, for instance, formal remittances to neighbouring SADC countries reach R19 billion annually, while informal flows add another R3.4 billion, according to FinMark Trust. SADC data places total remittances at R21.9 billion.

Real estate is also being reimagined. In Khayelitsha, Cape Town, a pilot project registers around 1,000 previously unregistered government-subsidised homes on a blockchain-based property register, creating a tamper-proof, decentralised log of ownership that could eventually integrate with national deeds systems. Healthcare adoption is emerging too. Frere Provincial Hospital in the Eastern Cape is piloting Hyperledger Fabric for electronic health records, enabling secure storage of patient histories, improved data interoperability and greater patient control.

Investment in Africa's blockchain ecosystem is rising. According to the CV VC 2024 African Blockchain Report, South Africa captured 18% of blockchain venture capital funding in Africa, and blockchain made up 7.4% of all VC funding on the continent, above its global share of 3.2%. Many projects now focus on practical applications—identity verification, land registries and financial inclusion—rather than speculative crypto plays.

According to Kimathi, this broader adoption underscores why youth-focused financial tools are critical.

"They are not novelty products, they address practical needs, foster early financial literacy, and integrate young users into digital economies."

Spotlight

Ever catch the perfect picture with your digital camera or camera phone and wish you could find a way for others to experience it? Here is your chance. If you find yourself at the right place at the right time and happen to catch an amazing scene you believe someone else should see, send us your news pictures with no more than 30 words to spotlight@capitalethiopia.com and we will publish it.

APRM, ECA, and UNDP Africa welcome credit rating upgrades for African countries

The African Peer Review Mechanism (APRM), the United Nations Development Programme (UNDP), and the United Nations Economic Commission for Africa (ECA) have welcomed the recent upgrades in sovereign credit ratings for Ghana, Zambia, and South Africa, along with positive outlook improvements for Nigeria and Uganda by major global ratings agencies, in a joint Press Statement.

The three organisations are collaborating on the Africa Credit Ratings Initiative, led by UNDP. This initiative aims to help African countries understand and appreciate credit rating systems and methodologies. It provides technical support, capacity-building, and policy discussions to assist officials in effectively managing credit ratings, thereby fostering greater national ownership of the process used by international agencies such as Moody's, Fitch, and S&P.

In November, S&P Global Ratings upgraded Ghana's credit rating from CCC+ to B– due to improved liquidity and reduced risks. Moody's upgraded Ghana's rating from Caa2 to Caa1 in October 2025, and Fitch raised it from Restricted Default to B– in June 2025, both with stable outlooks. These upgrades reflect progress in debt restructuring and fiscal management, particularly a $13.1 billion Eurobond restructuring, indicating increased investor confidence.

Western Indian Ocean faces $1.14 billion maritime security threat

The vital economic engine of the Western Indian Ocean which is the “Blue Economy,” is being severely undermined by maritime threats that are costing the region a staggering USD 1.14 billion annually.

This dramatic figure, equivalent to 5.7% of the region’s gross marine product, was revealed today at a regional meeting in Mauritius, co-convened by the United Nations Economic Commission for Africa (ECA) and the Indian Ocean Commission (IOC).

The three-day event, hosted at the Sofitel Hotel, centers on three activities: launching the 2025 report on the cost of maritime insecurity in the Western Indian Ocean, validating a Financial Sustainability Mechanism—a critical plan to secure long-term funding for the region’s maritime security structures, and validating the IOC Blue Economy Action Plan 2026-2030.

The recent ECA-IOC report entitled “Rocking the Boat: The Socio-Economic Impact of Maritime Threats in the Western Indian Ocean (2025)” lays bare the immense value and corresponding vulnerability of the WIO.

With Child Deaths Projected to Rise for the First Time in a Century

At Goalkeepers Abu Dhabi, leaders from government, philanthropy, business, and civil society issued a unified call to accelerate progress on child survival and infectious disease eradication. The appeal was anchored by US$1.9 billion in commitments to advance polio eradication announced earlier in the day at Abu Dhabi Finance Week.

The Gates Foundation contributed US$1.2 billion, reflecting its long-term commitment to a future where no mother, baby, or child dies from preventable causes, and where deadly infectious diseases like polio are eliminated forever.

Co-hosted by the Gates Foundation and the Mohamed bin Zayed Foundation for Humanity, Goalkeepers Abu Dhabi brought together more than 500 global leaders. The leaders delivered a clear message: the world must act now to reverse rising child deaths, stop preventable maternal deaths and finish the job of ending preventable diseases, starting with polio.

A FRIENDLY REMINDER

PHOTO: Anteneh Akillu

THE MOST ENTICING SIGN IN TOWN

PHOTO: Anteneh Akillu

JUST YOUR AVERAGE DAY DASHING THROUGH THE CITY

PHOTO: Anteneh Akillu

Visit of German Federal Minister for Economic Cooperation and Development to Ethiopia and the African Union

The German Federal Minister for Economic Cooperation and Development, Reem Alabali Radovan, is visiting Ethiopia today for meetings with representatives of the Government of Ethiopia as well as the African Union, marking the first visit of a Minister of the current German Federal Government to the newly elected African Union Commission. The visit underlines the significance of the African continent and Ethiopia as strategic partners for Germany and Europe in upholding the rules-based multilateral order and in pursuing common interests, such as on economic cooperation and trade.

Federal Minister Alabali Radovan: “The partnership with Africa is of key importance to Germany and Europe. The continent needs a strong voice in international fora, such as the United Nations and the G20, which adequately reflects its growing clout on the world stage. We work together closely to uphold common values, such as the rules-based multilateral order, and to pursue common interests, such as on economic cooperation and trade. Africa and its young population deserve sustainable development, which makes a real difference for people on the ground, as well as peace, security and stability. Germany and Europe as reliable partners continue to offer their support in this regard.”

ECA Meets to Evaluate 2025 Performance and Plan for Impact in 2026

In a significant effort to promote transparency and efficiency, the Economic Commission for Africa (ECA) is organizing its year-end Accountability and Programme Performance Review Meeting (APPRM) from 8 to 12 December 2025 in Addis Ababa, Ethiopia, focusing on evaluating the organisation's performance throughout 2025 and strategizing for impactful initiatives and results in 2026.

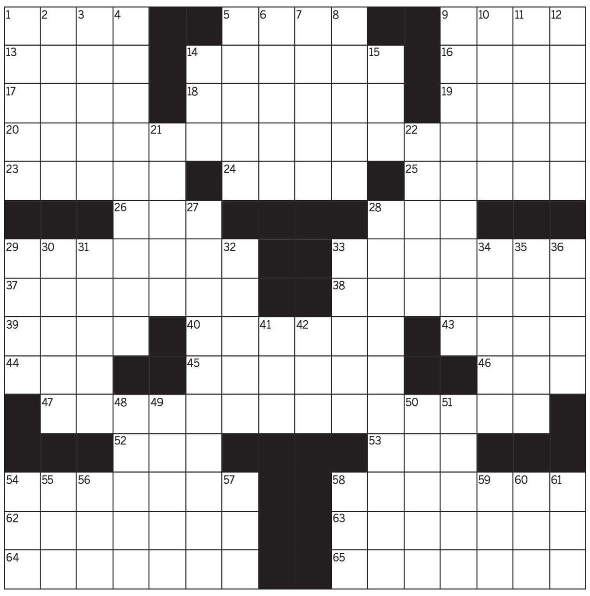
This APPRM is significant, coming amid recent calls for UN reforms to improve efficiency. The meeting is under the theme "Sustaining Gains: Taking Stock of Results in 2025 and Planning for Strategic Impact in 2026," which emphasises the importance of maintaining progress and preparing for future challenges.

The end-of-year APPRM serves as a key accountability tool, allowing the ECA to assess its progress against the targets outlined in its 2025 Annual Business Plan (ABP) and identify areas for growth and improvement.

CSIF Ethiopia launches a new funding round, offering up to €600,000 for consortia of eligible Ethiopian CSOs

The Civil Society Innovation Fund (CSIF) Ethiopia launches a new funding round for consortia of eligible Ethiopian CSOs. Through this new Call for Proposals (CfP), CSIF Ethiopia invites consortia of eligible Ethiopian CSOs to submit their application for grants ranging from €400,000 to €600,000 for projects lasting 25 - 30 months from 2026 - 2028. The call seeks innovative, inclusive, and impactful initiatives that contribute to civic space, social cohesion, human rights, gender transformation, and media freedom and freedom of expression. Selected projects will receive financial, technical, and capacity-building support to design and implement evidence-based, collaborative actions that respond to community needs and national priorities. CSIF Ethiopia is a multi-donor initiative dedicated to strengthening the role, capacity, and influence of civil society organisations (CSOs) in Ethiopia. It is pleased to announce a new funding round under CSIF II for the period 2026–2028. The overarching goal of the programme is to amplify civil society’s contribution to a democratic, peaceful, and inclusive Ethiopia, reinforcing the central role of citizens and communities in shaping the nation’s future.

CROSSWORD PUZZLE



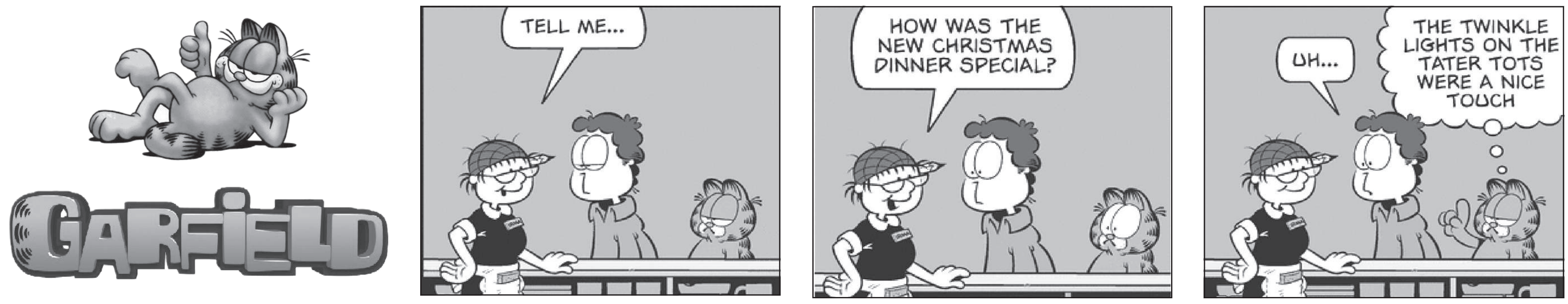
ACROSS

1 One-third of a cereal mascot trio
5 Start fishing
9 Astounds
13 __ d'Ivoire
14 Spa treatment
16 Pelee Island's lake
17 Swedish supergroup
18 Mamá's mamá
19 Rodgers of the band Chic
*20 *Jelly Roll Morton jazz composition*
23 "Beloved" protagonist
24 Many a YA hero
25 Yellowfin and albacore
26 Green vegetable in aloo matar
28 2,000 pounds
29 The Black List items
33 Polite
37 "I'm sorry" response
38 Vast
39 Chows down
40 Instant
43 Dreary routines
44 CT scan kin
45 Ford SUV
46 Govt. org. established by Lincoln
*47 *Pronunciation dichotomy popularized by Ella Fitzgerald and Louis Armstrong*
52 Govt. org. established by Nixon
53 Movie tech
54 "Did you start already?"
58 Type of grill or haircut
62 Spot for the cheapest seats in the house, maybe
63 "Beauty and the Beast" candelabra
64 "I've got this"
65 Partner of "aided"

DOWN

1 Line crossers?
2 Of high morals
3 Royal appearance?
4 Fruit parts in some noyaux recipes
5 "The Princess Diaries" novelist Meg
6 Like some angles
7 This clue's number en español
8 Hawk's weapon
9 Sank
10 Night hunter
11 Activist and social reformer Mankiller
12 Oozes
14 "Gorg!"
15 On the __
21 Holds on to
22 Rush angrily
*27 *One minuscule step at a time*
28 "Genius of Love" band, or what the answers to the starred clues are members of?
29 Brain __
30 Graph that may resemble a pie
31 Embarrass on social media, in a way
32 Field hockey garment
33 Seis menos uno
34 Indigenous people of Greenland
35 Houston baseballer
36 "I couldn't care __"
41 "Click, Clack, __: Cows That Type": Caldecott Honor book
42 Otolaryngologist, for short
48 Cheesy sammies
49 Not together
50 Finest form
51 "Cue the music!"
54 Flying fig.
55 Ruin
56 Ames sch.
57 Mother in a meadow
58 Ga. neighbor
59 Vietnamese New Year
60 One of five resources in Catan
61 One on foot: Abbr.

Solution: see below



WEEKLY HOROSCOPES

Aries

You have wonderful taste. You can create something lovely and original now. Share your ideas. It's time to review plans, recycle, or reuse things in the workplace. Travel or networking in your community can expand your horizons. Be cautious about accidents if you're feeling angry. An exciting and original approach might bring you to the attention of others. You have a talent for managing events. Take it slowly and proceed with care.

Cancer

Be patient even if your work life is less than ideal. Good news and good luck should begin to turn things around now, especially if you're looking for work or a better position. There is a risk of becoming overconfident, especially where detailed financial or legal work is involved. Don't hesitate to ask the advice of experts or superiors. Focus on your appearance. A few new accessories can upgrade your wardrobe.

Libra

Pay attention to what needs fixing around your workspace now. You have an opportunity to take action or make any new start. Trust your heart over your head. People should be generous with time and attention now. This can be a breakthrough period if you're willing to negotiate and do things differently. It's an excellent time to review plans, recycle, or reuse. Roadblocks will begin to ease. Take your time.

Capricorn

This time is ideal for thinking about improving your working conditions. You might want to make some dramatic changes to your workspace or the way you deal with customers. Bringing healthy snacks to co-workers can be a welcome treat that builds morale. Events can bring you to a crossroads. Don't let anything undermine your confidence. Simple assignments can suddenly take on a life of their own. A careful review may be necessary.

Taurus

Your luck is strong now. Networking can help you find a new or better job. Take advantage of any learning or training opportunities. This is one time when you should be able to mix work and fun with few ill effects. Do your best not to overcommit your time or energy. Honestly facing emotional challenges can bring great relief. Often what you fear the most doesn't even happen. You are feeling more motivated than usual.

Leo

This time begins a long period that can bring important new contacts to improve your prospects. Focus on practical matters and work alone as much as possible. Be conservative when estimating the time a job will take. There's a strong possibility that you'll have to adjust your expectations later. Enthusiasm for your work is most attractive. Your ability to clearly explain things to a customer or co-worker will be appreciated.

Scorpio

Do what you can to support your natural preference for structure now. You have a chance to be of service in a more creative way. Share something with others that you truly enjoy. Review plans or find ways to recycle or reuse. It's also a good time to conquer any workspace clutter. Be generous and give away unused things. The time is ideal for team meetings and cooperative ventures. Goal setting is important.

Aquarius

A disciplined approach will help you shine now. You may be inspired to make some sort of dramatic gesture. It's a very lucky time and excellent for a job interview. Be sure you're sharing from the heart. Aspects could mean doing some things over. There could be a short-lived power struggle at home. An honest talk can clear the air and help everyone feel more on track. There is no need for bells and whistles.

Gemini

This time begins a welcome period in which you can feel confident and happy no matter what your work situation. Get as much done as possible, especially outstanding assignments. There could be some unexpected changes. Someone may be confused by your natural reserve. This can be misinterpreted as arrogance. Speak up and ask friendly questions to put others at ease. The time is ideal for a serious conversation you may have been avoiding.

Virgo

You'll be supercharged with ideas now. You have such high expectations that it can be difficult to tolerate other people's weaknesses or failings. Be kind to yourself and don't take on everything at once. Midweek there's a risk of becoming too demanding. You'll make better progress using diplomacy. A younger person needs your attention. Find ways to build his or her self-esteem. Make an extra effort to look your best.

Sagittarius

Pay special attention to any commitments you've made. People appreciate it when you're accountable. This is an ideal time to apply for a job or network to improve your chances for one. Confidence will help you stand out in a crowd. It's an auspicious time to review plans, recycle, or reuse. You may be feeling upbeat and adventurous. It's positive for travel and related jobs. You are better off approaching your agitator head on.

Pisces

You may feel rather emotional about your obligations now. This can lead to misunderstandings with co-workers or family. Your desire to do well is commendable, but don't let your need to be perfect unnecessarily stress you. This is a lucky time to apply for a job or ask for more responsibility. If you have any insecurity about your skills, this is the time to ask for help. Start fresh with a new attitude.

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			9	4	5			
					6			4
9					8	2		7
					9		6	
5			3	6		4		
			5					

		7	9	1		5		
		1						3
		9		4				2
	4				8	3		
			3		1			
	6			5				8
	2			9				5
		4		8			7	

Sudoku

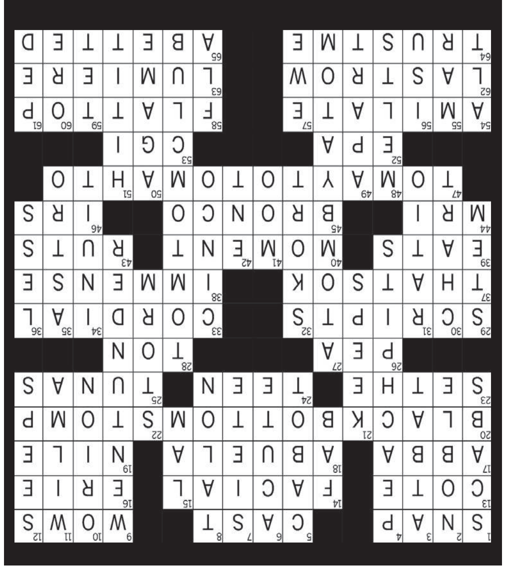
The game is easy, the rules are simple. All you have to do is make sure you fill every 3x3 box every row and every column, without repetition, using the number 1-9.

Word search

```
H A U G S X J B U T T E R F I N G E R T J
R J R V X E Y S Q Y P U O P E V Z G U H S
E S J T D R T N Z N L V C E E F I N N R D
G Q Z X N G I I N Q O Y K U P B G Q K E D
K P U E A E A C D F Y A Y Q Z A Z N H E B
E M H I D K N K N F B M R Q Z D U E S M Z
E H M X N N S E Y Z M V O Z H H W S K U Y
O A O T G A B R G H W Y A U G B B T C S C
A S N Y Z E S S R D O I D I N N V L H K Y
C A R A M E L L O J E H B B P D N E A E T
E M P S A M A H D F I C M I Q P S C R T O
W I B B E X T N E C L A R K B A R R L E B
K L C L X U O B C A R Z E T L U U U E E L
O K Q E R M Q E P R T I E K P G V N S R E
S Y V Y L A A M A Y U H S I J V C C T S R
I W B A N F P S Y C T S E T S L E H O B O
D A L H N Q B Z D F W I ' K B A T J N G N
B Y R N J Q S M A M I P S A I R V A C M E
W D D Z M Q J E Y P X J V T H E R S H E Y
S A N Y H P W N M R G O O D B A R U E C R
W H A T C H A M A C A L L I T X T L W F Q
```

ALMOND JOY	CLARK BAR	MR. GOODBAR	SNICKERS
BABY RUTH	HEATH	NESTLE CRUNCH	THREE MUSKETEERS
BIG HUNK	HERSHEY	OH HENRY	TOBLERONE
BUTTERFINGER	KIT KAT	PAYDAY	TWIX
CARAMELLO	MILKY WAY	REESE'S	WHATCHAMACALLIT
CHARLESTON CHEW	MOUNDS	ROCKY ROAD	ZAGNUT

Crossword Solution



Capital SPORT

The Impressive Economic Impact of AFCON 2025

The AFCON 2025, which will be broadcast exclusively and in full on beIN SPORTS, is not only set to deliver top-tier football—it will also generate a historic economic impact for Morocco, CAF, and the entire African continent.

With the kickoff of AFCON 2025 just weeks away — a tournament fans will be able to watch entirely on beIN SPORTS — the spotlight is not only on the national teams, star players, and passionate supporters. Behind the excitement lies a complex economic structure driven by high-value sponsorships, major broadcasting rights, tourism revenue, and long-term football infrastructure investments. The competition has evolved into both a sporting spectacle and a powerful commercial engine.

CAF's Financial Rebound: A Key Foundation Behind the Tournament

The Confederation of African Football (CAF) enters AFCON on solid financial footing — a crucial factor for organizing a competition of this scale, which will be aired in full on beIN SPORTS. Under the leadership of president Patrice Motsepe, the organization has undergone a dramatic turnaround after facing financial deficits and operational inefficiencies just four years ago.

Motsepe's reforms focused on stricter financial controls, securing high-profile sponsorships and media partnerships, and professionalizing CAF's internal operations. The results have been striking: for the 2023–2024 fiscal year, CAF reported a net profit of $9.48 million — its first in several years — reflecting both improved management and the growing global appeal of African football.

AFCON 2025: The Continent's Commercial Powerhouse

Projected revenue for the **AFCON 2025** — which fans can watch live and exclusively on beIN SPORTS — stands at an impressive $192.6 million, with an expected net profit of $113.8 million. This far surpasses other CAF tournaments such as **WAFCON**, **CHAN**, or the **CAF Champions League**, reinforcing AFCON's role as the confederation's financial backbone.

The commercial strength of the tournament is built on three pillars:

- **Sponsorships:** $126.2 million
- **Ticketing and hospitality:** $19 million

Beyond CAF's finances, AFCON drives Morocco's economic activity through increased tourism, hotel occupancy, retail consumption, and transportation demand. Host cities—including Rabat, Casablanca, Marrakech, and Agadir—are leveraging the event to boost international visibility and modernize sports infrastructure ahead of the **2030 FIFA World Cup**, which the country will co-host.

Global Appeal Through the African Diaspora

A major factor behind AFCON's rising international profile is the growing number of diaspora players. In recent editions, more than 40% of registered footballers were born outside Africa. This trend strengthens national teams, enhances tactical and technical levels, and expands the tournament's fan base across Europe and beyond.

CAF has strategically embraced this global connection through the **AFCON 2025 Diaspora Trophy Tour**, with promotional events in London and Paris. These activations highlight the cultural and commercial significance of the African diaspora in shaping the tournament's identity.

As anticipation builds, **AFCON 2025** stands as both a celebration of African football excellence and a powerhouse of economic opportunity, proving that the sport can thrive far beyond the field.

All you need to know about Afcon 2025

The continent's best footballers are preparing to descend on Morocco for the 2025 Africa Cup of Nations (Afcon) as the finals are held over Christmas and New Year for the first time.

The tournament kicks off on Sunday, 21 December when the hosts take on Comoros at Rabat's Prince Moulay Abdellah Stadium at 19:00 GMT.

The pressure is on the Atlas Lions, who are Africa's highest-ranked nation at 11th in the world but have not won Afcon since 1976.

Meanwhile, Mohamed Salah, who is still looking for his first title, will hope to captain Egypt to a record-extending eighth continental crown after finishing as a runner-up at the 2017 and 2021 editions.

But who does he face in the group stage? What is the format of the tournament? Where are matches being played and when do they kick off?

BBC Sport Africa provides you with all the information ahead of the 35th edition of Africa's biggest sporting event.

What are the Afcon 2025 groups?

The 24 teams have been split into six groups of four, with the hosts in Group A alongside Mali, 2012 winners Zambia and Comoros.

Group F contains a heavyweight match-up, with holders Ivory Coast drawn alongside five-time champions Cameroon. Senegal against DR Congo in Group D also looks tasty.

Elsewhere, Egypt face 1996 winners South Africa in Group B, while Group C has an East African flavour, with Uganda and Tanzania taking on Nigeria and Tunisia.

Group A: Morocco, Mali, Zambia, Comoros.

Group B: Egypt, South Africa, Angola, Zimbabwe.

Group C: Nigeria, Tunisia, Uganda, Tanzania.

Group D: Senegal, DR Congo, Benin, Botswana.

Group E: Algeria, Burkina Faso, Equatorial Guinea, Sudan.

Group F: Ivory Coast, Cameroon, Gabon, Mozambique.

The top two in each group and the four best-ranked third-placed teams will advance to the last 16, with quarter-finals, semi-finals, a match for third place and the final to follow.

Afcon 2025 schedule and kick-off times

The opening match between Morocco and Comoros kicks off at 19:00 GMT, with three games the next day.

After that, the group stage, which runs until 31 December, offers fans a Christmas feast of football, with four matches every day.

Those games will be played at 12:30, 15:00, 17:30 and 20:00 (all times GMT), while the final round of group action will kick off at either 16:00 or 19:00.

The knockout stage, which predominantly features games at 16:00 and 19:00, begins on Saturday, 3 January.

The final on Sunday, 18 January will kick off at 19:00.

Afcon 2025 venues: Where is it being played?

Morocco has pumped vast sums of money into renovating stadiums to host Afcon 2025 while also preparing to co-host the 2030 Fifa World Cup alongside Spain and Portugal.

Nine stadiums will be used in six host cities, with four venues in the capital Rabat.

- Prince Moulay Abdellah Stadium, Rabat (capacity 69,500)
- Complexe Sportif Prince Moulay Abdellah Olympic Stadium, Rabat (capacity 21,000)
- Complexe Sportif Prince Heritier Moulay El Hassan, Rabat (capacity 22,000)
- Stade El Barid, Rabat (capacity 18,000)
- Grande Stade d'Agadir, Agadir (capacity 45,480)
- Complexe Sportif de Fes, Fes (capacity 45,000)
- Grande Stade de Marrakech, Marrakech (capacity 45,240)
- Stade Mohammed V, Casablanca (capacity 67,000)
- Grande Stade de Tangier, Tangier (capacity 68,000)

Who are the Afcon favourites?

The hosts are the overwhelming favourites.

Morocco are on a winning run of 18 consecutive victories - a world record in international football - stretching back to March 2024.

That 20-month streak has seen the Atlas Lions score 50 goals and concede just four.

Senegal, champions at Afcon 2021, have been playing impressive football this year under Pape Thiaw, and although the Teranga Lions lost to Brazil last month they immediately bounced back to beat Kenya 8-0.

Algeria, Egypt and holders Ivory Coast also went unbeaten through World Cup qualifying and the former two nations may back themselves in North African conditions.

Meanwhile, DR Congo come into the tournament on a high after seeing off Cameroon and Nigeria in Africa's 2026 World Cup play-offs.

But, with seven different winners in the past eight editions, the tournament is likely to provide plenty of surprises.

DORALEH MULTI-PURPOSE PORT

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