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T-Bill auctions to raise 197b birr

By Muluken Yewondwossen

The Ministry of Finance aims to raise 197.2 billion birr through Treasury bill (T-bill) auctions during the first quarter of Ethiopia's 2026/27 fiscal year. This initiative comes as government borrowing costs continue to decline and the National Bank of Ethiopia (NBE) increasingly employs market-based monetary policy instruments, including repurchase (repo) operations.

According to the ministry's auction calendar, seven T-bill auctions are scheduled between July 8 and September 30, 2026. The largest single issuance, valued at 40 billion birr, is slated for August 5.

The fiscal year's inaugural auction on July 8 successfully raised 30.71 billion birr at an average yield of 9.2 percent. This marks a return to single-digit T-bill rates after an extended period of elevated borrowing costs.

Treasury bill yields had already been trending downward in the previous fiscal year, reaching an average of 11.7 percent by the end of the 2025/26 budget year, before declining further in the new fiscal year's first auction.

The issuance program encompasses four maturities: 28-day, 91-day, 182-day, and 364-day T-bills. Of the total planned issuance, 78.9

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Ethiopia must build resilience before the next oil shock

Ethiopia cannot afford to wait for the next global crisis to expose the weakness of its economy. The ongoing conflict involving Iran, and the resulting tension around the Strait of Hormuz, is a stark reminder that countries heavily dependent on imported fuel live at the mercy of events far beyond their borders. For Ethiopia, the lesson is urgent: structural economic resilience is no longer a policy option, but a national necessity.

Oil shocks do not remain in the oil market. They move quickly into transport costs, food prices, industrial production, foreign exchange demand, and public finances. In a country like Ethiopia, where fuel imports are essential to moving goods, powering businesses, and sustaining urban life, a sudden rise in global prices can ripple through the entire economy. When shipping routes become vulnerable or supply chains tighten, import-dependent states face immediate inflationary pressure and fiscal strain.

This is why the current crisis matters even if the conflict is geographically distant. The Strait of Hormuz is one of the world's most important energy chokepoints, and any disruption there sends a signal to every economy that relies on imported petroleum. Ethiopia, like many developing countries, has limited ability to absorb such external shocks without pain. That reality should push policymakers to move beyond crisis response and toward structural preparation.

The first priority is reducing dependence on imported fuel wherever possible. Ethiopia must accelerate investment in domestic energy alternatives, especially hydropower, solar, wind, geothermal, and other renewable sources that can displace imported petroleum in electricity generation and, over time, in transport and industry. The country has already made progress in hydropower, but resilience requires diversification, not reliance on a single source. A more balanced energy mix would make the economy less vulnerable to price spikes and supply interruptions.

The transport sector also needs urgent reform. Ethiopia's economy still relies heavily on fuel-intensive road transport. That means every dollar increase in oil prices raises the cost of moving agricultural goods, consumer products, and industrial inputs. Expanding rail logistics, improving urban mass transit, and encouraging electric mobility where feasible would help soften this dependence. Electrified transport is not a luxury in Ethiopia; it is a strategic economic shield.

Agriculture too must be part of the resilience agenda. Rising fuel prices increase the cost of fertilizer transport, irrigation, milling, and food distribution. When fuel becomes more expensive, food inflation often follows. Ethiopia should strengthen local production systems, modern storage, agro-processing, and regional supply chains so that food markets are less exposed to imported input costs and external shocks. A resilient food economy is one of the best defenses against energy turbulence.

Foreign exchange policy is another major front. Oil shocks drain hard currency quickly, because fuel imports must be paid for in foreign exchange. For Ethiopia, where foreign currency is already scarce, this creates a dangerous squeeze. The country must improve export performance, broaden the foreign exchange base, and reduce unnecessary import demand. That means supporting sectors that generate hard currency, such as horticulture, coffee, manufacturing, minerals, and digital services, while also tightening spending discipline on low-priority imports.

At the macroeconomic level, the state should develop stronger shock-absorption mechanisms. Strategic fuel reserves, more flexible procurement systems, and contingency financing tools can help cushion short-term disruptions. But buffers alone are not enough. Ethiopia needs a policy framework that assumes volatility rather than treating it as an exception. That means planning budgets, subsidies, and public investments with global risk in mind. If public policy is built on the assumption that oil prices will remain stable, the country will keep getting surprised.

There is also a lesson for industrial policy. Import dependence weakens sovereignty. Every economy that imports almost everything it consumes becomes fragile, no matter how ambitious its development plans may be. Ethiopia must therefore connect resilience to industrialization. Expanding local manufacturing of fertilizers, construction materials, consumer goods, and renewable-energy components would reduce exposure to external price shocks and create jobs at the same time. A more productive economy is a more defensible economy.

The political dimension should not be overlooked. Global crises often expose the gap between rhetoric and preparation. Leaders speak of transformation, but resilience is built through boring, disciplined work: infrastructure, institutions, diversification, and strategic planning. Ethiopia must treat energy security as national security. That means breaking the habit of reacting after prices rise and instead building systems that can absorb the next shock before it arrives.

The country does not need to isolate itself from the global economy. On the contrary, it should trade, invest, and integrate more deeply. But integration without resilience is vulnerability disguised as progress. Ethiopia should enter the global economy with stronger domestic buffers, more diversified energy sources, and a clearer sense of which sectors are essential to national stability.

The war in Iran and the threat to the Strait of Hormuz are reminders that geopolitics can rewrite economics overnight. Ethiopia has no control over those events, but it does control its own level of preparedness. The question is not whether global oil shocks will come again. They will. The real question is whether Ethiopia will continue to be caught off guard or finally build an economy that can endure them.

That is the challenge now: to make resilience a national project, not a crisis slogan.

■ By Jayati Ghosh . **COMMENT**

The Iran war exposes the global economy's fault lines

Buoyed by AI stocks, global financial markets have largely shrugged off the war with Iran. Yet the conflict's long-term economic costs are only beginning to emerge, as depleted strategic oil reserves, damaged refining capacity, and rising fuel and fertilizer costs increasingly weigh on lower-income economies.

The on-again, off-again US-Israeli war against Iran has underscored the growing disconnect between financial markets and real economic activity. It has also exposed how differently such shocks play out across the global economy.

Consider oil markets. While they have been extremely volatile since the war began, their fluctuations have largely reflected shifting perceptions and expectations—often shaped by US President Donald Trump's erratic social media posts—rather than immediate changes in demand and supply.

To be sure, Iran's closure of the Strait of Hormuz did disrupt global oil supplies. But shipping distances and transport lags meant that the effects were not immediately felt by consumers and producers.

Nevertheless, crude oil and natural-gas prices swung sharply as conflicting official announcements repeatedly shifted market expectations. By early July, following the initial ceasefire agreement between the United States and Iran, crude oil was trading below $70 per barrel—roughly where it stood in February, before the war began. Even the subsequent resumption of hostilities has so far produced only a modest price increase.

Despite the volatility in global energy prices, US stock markets recorded their best-performing quarter since 2020 between April and June and continued to rise in early July. The rally was led by AI stocks, buoyed by the belief that AI will deliver unprecedented gains in productivity and economic growth.

To some extent, this reflects the relatively limited impact of the war on economic activity in rich countries. The International Monetary Fund projects only a modest slowdown in GDP growth in advanced economies in 2026, from 1.9% in 2025 to 1.7%. The US, for its part, is expected to grow by 2.3%, up from 2.1% in 2025. Across OECD economies, the unemployment rate stood at 5% in April, virtually unchanged since February 2022.

Advanced economies' resilience can be largely attributed to the recent boom in AI and cryptocurrency investments. Several Asian economies—notably China, Taiwan, South Korea, and Malaysia—have also benefited from this trend. Financial markets' current complacency is further reinforced by the widespread perception that the war with Iran is effectively over, despite both sides' belligerence, or that it will persist only as a low-intensity conflict that allows at least partial movement through the Strait.

Yet this confidence overlooks the war's longer-term economic consequences. Despite the ceasefire, oil exports from the Gulf remained well below pre-war levels. And even if exports recover completely, lower-income countries will continue to bear the costs of today's energy crisis for years to come. These countries lacked the means to carry out the extraordinary government interventions that limited the energy shock's impact on advanced economies. Roughly 440 million barrels of crude oil and refined products were released from commercial and strategic reserves between April and June, mostly by the US. But with the US Strategic Petroleum Reserve now below half its capacity and approaching its operational floor of 33%, and with total OECD inventories continuing to decline, there is far less scope for a similar intervention. Although prolonged uncertainty over the Strait is likely to accelerate the diversification of both energy sources and trade routes, those adjustments will require years of investment and new infrastructure.

Global attention has largely focused on crude oil, but modern production also relies heavily on petroleum derivatives. According to the International Energy Agency, Gulf exports of refined petroleum products and liquefied petroleum gas were still less than half their pre-war levels in June, partly because the war destroyed some of the region's refining capacity.

Among the most economically significant petroleum derivatives are fertilizers, which are crucial for agricultural productivity. The Food and Agriculture Organization of the United Nations projects a 15–20% increase in global fertilizer prices in the first half of 2026. As a result, farmers—especially in lower-income countries—must now contend with rising fertilizer prices as well as higher fuel costs for

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Ethio Telecom, Netflix in talks over Ethiopia expansion

By Eyasu Zekarias

Ethio telecom says it is in ongoing discussions with Netflix over the business model and market challenges that continue to limit the full rollout of the streaming service in Ethiopia.

The state-owned operator said Netflix already has cache servers hosted locally on its network, but that this technical arrangement has not yet translated into a full commercial service for Ethiopian users. Ethio telecom Chief Executive Officer Frehiwot Tamiru said the two sides are still working through the conditions needed for wider service delivery.

Speaking during the company's 2025/26 fiscal year performance report, Frehiwot said it took years of negotiation to bring Netflix's servers into Ethiopia. She said the process was difficult because of weak historical infrastructure and because Netflix initially doubted there were enough users in the country to justify the investment.

Ethio telecom said the local caching system is part of Netflix's Open Connect network, which places servers inside internet service provider facilities to store popular content closer to users. The setup reduces buffering and improves streaming quality, but it does not solve the broader commercial and payment issues that remain.

Frehiwot said the main obstacle is Netflix's current business model, which she said does not yet support full service provision in Ethiopia. The company did not provide details on the exact nature of the commercial barriers, but said discussions are continuing.

The challenge reflects wider difficulties faced by global streaming platforms across Africa, where limited broadband access, high data prices and payment system constraints often slow market entry. In several countries, streaming companies have had to rely on bundle partnerships or telecom-led distribution models to reach customers more effectively.

Ethio telecom said it has continued investing heavily in network expansion to support Ethiopia's growing digital demand. The company reported that its total international internet gateway capacity has reached 4.3 terabits per second, supported by upgrades in transmission and content delivery infrastructure.

Frehiwot said local content delivery network capacity increased by 820 gigabits per second through five CDN partners, reaching 2,062 gigabits per second. International gateway capacity also rose by 750 gigabits per second to 2,040 gigabits per second. According to the company, these investments are aimed at reducing latency, improving resilience and supporting rising internet traffic nationwide.

Ethio telecom also reported strong financial and operational performance for the fiscal year. The company said it achieved 99.7 percent of its annual plan and generated total revenue of 215.8 billion birr.

Its customer base grew by 8.3 percent to 90.12 million, while active mobile subscribers reached 72.09 million. Mobile data and internet users climbed to 51.53 million, and fixed broadband subscribers reached 1 million.

During the year, the company built 603 new mobile stations, bringing the total to 10,613. It said 4G population coverage reached 82.23 percent and 5G service became available in 33 cities.

Ethio telecom added 793 kilometers of backbone fiber, expanding its total network to 23,442.1 kilometers, and connected 841 mobile stations with fiber. The company also said it created 5 megawatts of operational capacity across six Tier III data centers in Addis Ababa and regional cities.

Ethiopia's digital finance sector gets new trade body

By our staff reporter

Ethiopia's digital finance industry has entered a new phase with the formal launch of the Ethiopian Digital Financial Service Providers Association, a professional trade body backed by the European Union and the United Nations Capital Development Fund.

The association, which began as an informal working group in 2022, has now been legally registered and accredited to represent 18 founding institutional members across the country's growing digital finance ecosystem. Its members include commercial banks, payment switches, aggregators, payment gateways, microfinance institutions and mobile money operators.

Yoseph Kibret, chairperson of the association, said the new body will help strengthen coordination among industry players, provide a unified voice in policy discussions and support capacity building for members. He said the group's main goal is to deepen collaboration, promote innovation and advance financial inclusion.

The association's formal launch comes after years of support under the Digital Financial Services for Resilience programme, known as DFS4Resilience, which is being implemented by UNCDF with backing from the EU and the Organisation of African, Caribbean and Pacific States. The four-year initiative is designed to expand access to digital finance for women, youth and entrepreneurs in 11 developing countries.

According to the programme, Ethiopia has received about 1.6 million dollars in support and technical assistance. The intervention has helped register more than 320,000 customers and 12,000 mobile money agents, trained 23,000 micro, small and medium enterprises, and delivered digital financial literacy training to more than 40,000 people.

Speaking at the launch, the European Union's representative in Ethiopia said digitalization is one of the EU's five main Global Gateway investment priorities. The EU said it is proud to support the programme as part of efforts to strengthen resilience through digital financial services.

The launch comes at a time when Ethiopia's digital finance market is expanding rapidly. The country has moved from a largely cash-based environment to one with nearly 50 million active mobile money accounts, driven by reforms in the financial sector and broader mobile penetration.

By June 2025, cumulative digital transactions had reached 18.6 trillion birr, nearly double the previous year's figure. Telebirr, launched by Ethio telecom in 2021, has played a central role in that growth, with 60.6 million users and 4.19 trillion birr in transactions during the 2025/26 fiscal year.

The wider ecosystem now includes more than 25 non-bank providers, among them Safaricom's M-Pesa and local fintech firms such as Kacha, Arifpay and Chapa. Financial inclusion indicators have also improved, with adult account ownership rising from 35 percent in 2017 to 49 percent in 2025.

The association is led by a board that includes representatives from Premier Switch Solutions, Chapa Financial Technologies, Dashen Bank, ETIT and Kacha Digital Financial Services. Officials said 33 more organizations have already applied for membership, signaling growing interest in the new industry platform.


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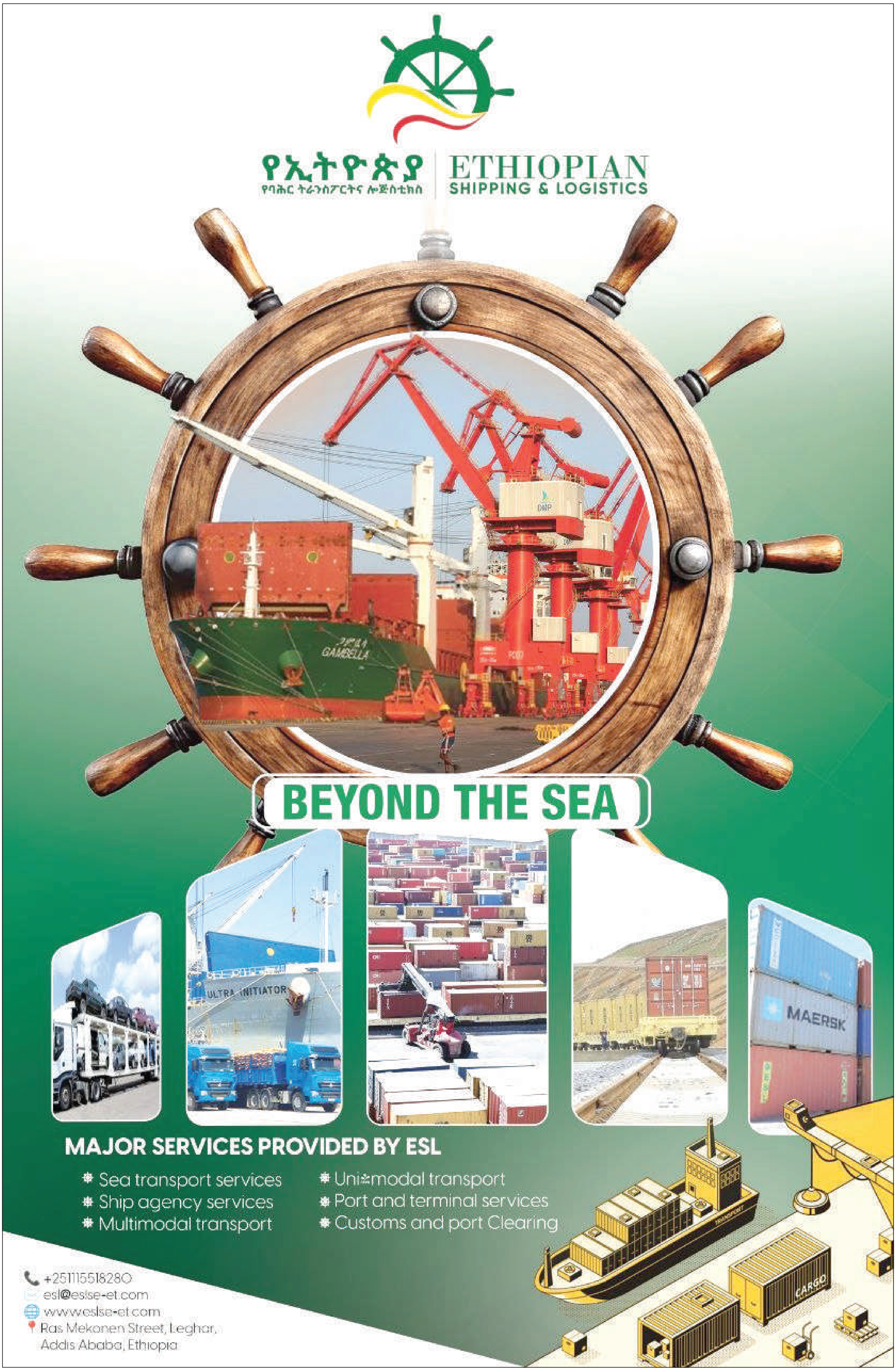
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billion birr will be offered through 364-day bills, 59.15 billion birr through 182-day bills, 39 billion birr through 91-day bills, and 19.72 billion birr through 28-day securities.

The decrease in T-bill yields aligns with the NBE's reforms, which seek to transition from direct monetary controls to an interest rate-based monetary policy framework. In this new framework, short-term interest rates and market liquidity play a more significant role in shaping financial conditions.

A crucial element of this transition is the expanded use of repurchase agreements through open market operations (OMOs). Repo transactions enable the central bank to inject or absorb short-term liquidity by buying or selling government securities with an agreement to reverse the transaction later. This makes them a key tool for guiding money market interest rates and enhancing monetary policy transmission.

In its latest review of Ethiopia's reform program, the International Monetary Fund (IMF) noted that the NBE shifted its liquidity operations in January 2026 from fixed-rate, full-allotment operations to uniform-rate auctions. This change reflects the growing importance of market-based instruments in monetary management. However, the IMF also observed that liquidity absorption operations have become more costly for the central bank and that auction volumes have decreased, despite strong demand from banks.

The IMF emphasizes that more active use of repo operations and other open market instruments will be vital for strengthening monetary policy transmission and managing inflation as Ethiopia continues its financial sector reforms. The Fund also stressed that direct quantitative controls, such as credit growth caps, should gradually be replaced by market-based monetary policy tools.

Market participants suggest that the sharp decline in Treasury bill yields might reduce the attractiveness of government securities for investors compared to recent months. Conversely, lower yields decrease the government's domestic borrowing costs and could serve as a benchmark for lower interest rates across the financial system as repo transactions and the interbank money market become more active.

Since Ethiopia launched its macroeconomic reform program in mid-2024, the Treasury bill (T-bill) market has expanded significantly. It has become the government's primary source of domestic financing and provides the securities necessary for the National Bank of Ethiopia's (NBE) expanding repo market and broader open market operations (OMOs).

For the 2026/27 fiscal year, the approved 2.3 trillion birr federal budget projects that approximately 330 billion birr, or about 14 percent of total expenditure, will be financed through domestic borrowing, primarily via T-bill issuances.

Two weeks ago, the NBE's Monetary Policy Committee increased the policy interest rate from 15 percent to 16 percent. The 15 percent rate was initially introduced in July 2024 when Ethiopia adopted its new monetary policy framework. This recent adjustment highlights the central bank's dedication to guiding monetary policy through interest rates, moving away from direct administrative controls.

The broader reform agenda has also strengthened Ethiopia's money market infrastructure. Since market-based pricing was introduced in the primary T-bill market in late 2019, government securities have increasingly served as the benchmark for domestic interest rates and a crucial element of the country's developing monetary policy framework.

The reduction in interest rates has not been confined to T-bills. OMO rates also decreased sharply, with the yield at the final liquidity absorption auction of the previous fiscal year, held on June 25, falling to 8.5 percent.

According to experts, the convergence of lower T-bill yields, declining OMO rates, and the increased use of repo operations indicates Ethiopia's gradual shift toward a modern, market-based monetary policy framework. If these reforms continue, they could improve liquidity management, enhance the effectiveness of monetary policy, foster deeper domestic financial markets, and reduce the government's financing costs.

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irrigation and transport.

Even modest reductions in fertilizer use can trigger steep declines in crop yields, especially where application rates are already low. But food markets are unlikely to wait for the harvest, as oligopolistic firms typically raise prices in anticipation of tighter supplies, long before physical shortages materialize.

The consequences extend far beyond agriculture. More than 6,000 products rely on fossil-fuel derivatives and processing by-products such as helium, sulfur, methanol, polyethylene, and polypropylene, many of which are supplied by Gulf countries. These inputs are essential for plastics, lubricants, waxes, tars, asphalt, synthetic textiles, and life-saving medical devices like MRI machines and pacemakers. Ironically, the green energy transition also depends on specialized petroleum products used to manufacture, maintain, and operate wind turbines and other renewable-energy infrastructure.

These disruptions will fall disproportionately on lower-income countries, particularly in Asia and Africa, which remain heavily dependent on the Middle East for both imports and exports. Worse still, they come as many emerging and developing economies are still recovering from the damage inflicted by the COVID-19 pandemic, the food and fuel price spikes that followed Russia's invasion of Ukraine, and the interest-rate hikes that have driven up borrowing costs.

Against this backdrop, the World Bank estimates that the per-capita income gap between advanced and developing economies, excluding China and India, will not return to its pre-pandemic level until after 2028. For many countries in the Global South, the result could be a lost decade; for those already in debt distress, the economic toll could be catastrophic.

This raises a fundamental question: How will an increasingly fragmented global economy reshape geopolitics? Governments around the world have learned that ignoring rising inequality within their own societies fuels political instability. The same lesson applies to the widening economic divide between countries. Financial markets may be able to ignore it for now, but the rest of the world cannot.

Jayati Ghosh is a Professor of Economics at the University of Massachusetts Amherst, is a member of the Club of Rome's Transformational Economics Commission and Co-Chair of the Independent Commission for the Reform of International Corporate Taxation.

Ethiopia to shoulder half of Sugar Group's foreign debt

By Eyasu Zekarias

The Ethiopian government is set to cover half of the Ethiopian Sugar Group's post-restructuring foreign debt through the federal budget as part of a broader rescue plan aimed at improving the troubled state-owned enterprise's financial health and preparing it for privatization.

The move is intended to give the sugar industry enough breathing room to stabilize operations, improve efficiency and restore a positive earnings profile before private investors are invited back into the process. According to reports cited by Ethiopian Investment Holdings CEO Brook Taye, the sugar sector's foreign debt burden stands at about 144 billion birr, or roughly 2.1 billion dollars.

The debt problem has long weighed on Ethiopia's banking system and broader public finances. Much of the borrowing was tied to unfinished projects, including factories and development sites that absorbed billions of birr without generating returns. The Omo Kuraz Sugar Development Project alone is reported to have consumed about 65 billion birr and remains incomplete.

Officials say the government's latest intervention is designed to help the group achieve a positive EBITDA, a key milestone that would signal operational recovery. The IMF has said that financial restructuring and rehabilitation efforts are already beginning to yield results, and that the sugar group has recorded a positive EBITDA for the first time under the recovery program. The IMF also said the privatization process for nine sugar development enterprises has been restarted, although the timeline has shifted several times. Earlier plans called for direct negotiations with investors and asset transfers by the end of 2025, but those talks later stalled after investors submitted offers below reserve prices and after asset valuation rules were found to be outdated.

In November 2025, Ethiopian Investment Holdings told parliament that privatization talks had been halted because of failed bids and legal and technical obstacles. The authority said it was now pursuing direct negotiations with investors able to revive the sector, while also preparing for a fresh asset valuation as required by law.

The sugar industry's financial restructuring comes after years of repeated setbacks. Following the 2018 political transition, the government tried to sell more than 10 sugar factories through a request for information process, but it produced no concrete result. A second attempt in 2020 was slowed by conflict and operational challenges. In August 2022, authorities issued another request for expressions of interest covering eight facilities, including Arjo Didessa, Kesem, Omo Kuraz I, II, III and V, Tana Beles and Tendaho.

The Ethiopian Sugar Industry Group, established in 2022, manages several factories and development projects and holds ownership stakes in major sugar share companies including Wonji/Shoa, Metehara, Finchaa, Kesem and Tana Beles. It also oversees Omo-Kuraz Sugar Factory II and III, Omo-Kuraz Sugar Development I and V, Arjo Didessa and the Wolkait Sugar Development Project.

Audited results show the scale of the challenge. For the fiscal year ending June 30, 2023, the group posted a net loss of 9.57 billion birr, an improvement from the previous year's loss of 22.08 billion birr. Revenue reached 7.42 billion birr, while total assets stood at 178.26 billion birr and liabilities fell to 79.11 billion birr.

Despite the losses, officials view the restructuring as a necessary step toward bringing the sugar industry to a point where private participation becomes viable and public debt exposure can gradually be reduced

Djibouti, Tiryaki Agro sign port MoU

By Muluken Yewondwossen

Tiryaki Agro, a Turkish agribusiness and logistics firm, is poised to become a significant international player in the Horn of Africa's increasingly competitive port and logistics sector. This follows the signing of a Memorandum of Understanding (MoU) with the Djibouti Ports and Free Zones Authority (DPFZA) to explore the long-term management and operation of Tadjourah Port.

This agreement underscores Djibouti's ongoing efforts to attract global private investment and solidify its position as a strategic maritime and logistics hub. The port overlooks the Bab el-Mandab Strait, one of the world's busiest shipping corridors.

Under the MoU, Tiryaki Agro and DPFZA will negotiate a framework that could lead to a long-term concession agreement for Tadjourah Port's management and operation. Before detailed negotiations and definitive agreements, both parties will conduct technical, commercial, and operational assessments.

According to DPFZA, this partnership is a significant step toward modernizing and expanding Tadjourah Port. It also aims to position Djibouti as a regional hub for trade, logistics, and agricultural supply chains serving the Horn of Africa.

The project includes substantial upgrades to port infrastructure, expansion of logistics and storage facilities, improved handling capacity for agricultural and bulk commodities, and broader investments to enhance regional trade connectivity and economic development.

Officials state that this initiative will not only strengthen Djibouti's logistics sector but also improve food security and supply chain resilience across the wider Horn of Africa through increased private-sector participation.

The MoU also lays the groundwork for negotiating a long-term concession agreement that would formally grant Tiryaki Agro responsibility for managing and operating the port, pending successful completion of feasibility studies and negotiations.

This project builds upon an earlier partnership between Tiryaki Agro and the International Finance Corporation (IFC), the private-sector investment arm of the World Bank Group.

The IFC has supported the initiative from its early stages by financing feasibility studies, strategic planning, and stakeholder engagement activities that helped shape the project.

This advisory support aims to unlock Djibouti's potential as a strategic logistics gateway and encourage sustainable private-sector investment in transport infrastructure and agricultural trade.

"The signing of this Memorandum of Understanding marks an important step forward in our long-term commitment to Djibouti and our vision of contributing to the country's role as a regional trade and logistics gateway," said Süleyman Tiryakioğlu, CEO of Tiryaki Agro.

He thanked the Government of Djibouti, DPFZA, and IFC for their collaboration, expressing the company's eagerness to advance the project's next stages and strengthen regional trade, food security, and sustainable economic development.

DPFZA affirmed that the initiative aligns with Djibouti's long-term vision of serving as a strategic logistics bridge connecting Africa, the Middle East, and global markets.

The Turkish company's involvement comes months after Djibouti revealed that Ethiopia had declined an offer to take a leading role in administering Tadjourah Port.

In April, Capital reported DPFZA Chairman Aboubakar Omar Hadi stating that Addis Ababa preferred negotiating a broader corridor arrangement linked to port access rather than directly participating in the port's administration.

Speaking to Capital, Hadi emphasized Djibouti's continued commitment to working with Ethiopia and offering extensive facilities for Ethiopian trade.

"We are working well with the government and offering them all the facilities they need to use our ports. We are very open to Ethiopia," he said.

Djibouti has proposed equity participation as part of its engagement with Addis Ababa.

Since Eritrea's independence in the early 1990s, Ethiopia has been landlocked, losing its direct access to the Red Sea. This issue continues to shape Ethiopian foreign and economic policy. Critics have long argued that the former Ethiopian People's Revolutionary Democratic Front failed to secure sovereign or guaranteed maritime access during the negotiations surrounding Eritrea's independence.

Today, Ethiopia is the world's most populous landlocked country, making access to seaports a strategic national priority.

Over the past several years, Addis Ababa has intensified efforts to secure reliable maritime access, arguing that the loss of direct sea access represents a historic injustice that must be addressed through peaceful negotiations.

The debate escalated on January 1, 2024, when Ethiopia signed a controversial Memorandum of Understanding with Somaliland. This agreement sought access to a port on the Gulf of Aden in exchange for a stake in state-owned enterprises. The deal generated strong diplomatic opposition from Somalia and heightened geopolitical tensions across the Horn of Africa.

Following these developments, Djibouti proposed alternative arrangements involving access through Tadjourah Port. However, Ethiopia's reported request for a broader corridor arrangement—including possible special transit or administrative rights—appears to have complicated negotiations.

The Tiryaki Agro agreement also reflects growing international competition among foreign investors seeking strategic positions in Horn of Africa ports.

In October 2025, Djibouti awarded a 30-year concession to Red Sea Gateway Terminal International, a subsidiary of Saudi Arabia's Jeddah-based Red Sea Gateway Terminal (RSGT), to operate port facilities on the Red Sea.

Saudi-backed RSGT has also agreed to participate in the operation and future development of Tadjourah Port, underscoring the increasing interest of Gulf investors in regional maritime infrastructure.

Elsewhere in the region, UAE-based DP World operates Berbera Port in Somaliland under a long-term concession agreement and continues expanding logistics facilities there.

Other international investors have expressed interest in developing and operating ports across Eritrea, Somalia, and Sudan, despite ongoing political instability and security challenges, particularly Sudan's continuing civil war.

The rush by global operators into Horn of Africa ports is driven by the region's strategic location along one of the world's busiest maritime trade routes, connecting Europe, Asia, and the Middle East.

Bab el-Mandab serves as the gateway between the Red Sea and the Gulf of Aden, making nearby ports critical nodes in international shipping and energy transportation.

Beyond commercial interests, Djibouti has become one of the world's most strategically important military locations.

China established its first overseas military base in Djibouti adjacent to the Doraleh Multipurpose Port, where Chinese state-owned China Merchants Group also holds a significant ownership stake.

The United States, France, Japan, Italy, and several other Western countries also maintain military facilities in Djibouti, reflecting the country's strategic importance for global security and maritime trade.


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Road network grows at 75

By our staff reporter

The Ethiopian Roads Administration (ERA) has launched its 75th anniversary Diamond Jubilee celebrations in Addis Ababa, highlighting decades of work that helped expand the country's transport network and support national development.

The opening ceremony brought together government officials, former leaders of the institution, development partners, contractors, consultants and staff. The event reviewed the agency's history while also reaffirming its commitment to future infrastructure development through modern and technology-driven transport systems.

Urban and Infrastructure Minister Chaltu Sani said the agency has grown significantly from its early years and stressed that the jubilee should serve as a moment to align with Ethiopia's broader development goals. She said road infrastructure remains central to industrial growth, agricultural productivity and tourism, adding that institutional reforms based on digital systems and modern technology will remain a priority.

ERA Director General Mohammed Abdurahman said Ethiopia's road network has expanded dramatically since the institution was established. He said the total network stood at only 6,400 kilometers at the time, but has now grown to 182,232 kilometers through successive road sector development programs.

He described the milestone as the result of vision, commitment and professional dedication over generations. According to him, the agency has moved from basic gravel roads to asphalt concrete highways, toll roads and major bridge networks.

ERA Board Chairperson Eyob Tekalign said the expansion of the network has helped connect the country from end to end, supporting trade, social integration and economic activity. He said the road system continues to play a crucial role in advancing national development objectives.

The three-day jubilee program includes historical photo and document exhibitions showing the evolution of Ethiopia's transport sector, technology displays and panel discussions. It also features recognition ceremonies for outstanding contributors, as well as cultural presentations.

ERA said the celebration is not only about marking history but also about renewing its commitment to quality, safety and sustainable asset management in the years ahead.

NBE tightens virtual asset ban

By our staff reporter

The National Bank of Ethiopia has broadened its restriction on cryptocurrencies and other virtual assets, clarifying that the ban covers not only digital coins but also exchanges, transfers, custody services and related intermediaries.

The central bank said the new notice is meant to close regulatory loopholes and curb unauthorized digital trading networks. It builds on earlier action taken in February 2026, when regulators moved against birr-paired peer-to-peer crypto transactions.

Under the updated framework, prohibited activities include exchanging virtual assets for fiat currency or other digital assets, transferring value, providing safekeeping services and supporting public token offerings. The NBE said these activities fall outside Ethiopia's legal payment and foreign exchange system unless specifically authorized.

The bank framed the move as an interpretation of Ethiopia's National Payment System law, which gives the central bank authority over payment systems. It also said birr-denominated crypto transactions operate like a parallel foreign exchange market and can bypass anti-money laundering and counter-terrorism financing controls.

The notice has already had immediate effects on global platforms, with major exchanges suspending Ethiopian birr trading pairs on their peer-to-peer marketplaces.

The crackdown comes as Ethiopia's underground USDT-birr market has grown quickly, with market estimates placing daily

turnover at more than 1 million dollars. Analysts say demand has been fueled by currency depreciation, remittance challenges and the search for alternative settlement channels.

At the same time, the central bank made clear that cryptocurrency mining remains legal and is expanding in the country, supported by Ethiopia's hydroelectric power. The notice, however, strongly urged the public to avoid virtual assets altogether, warning of fraud, cyber risks, market manipulation and the possibility of total financial loss.

The NBE said it is still working on a formal long-term digital asset framework. Until that framework is introduced, it said, virtual asset use, trading and transfer remain prohibited unless expressly approved.

The central bank's latest notice marks a sharper regulatory stance at a time when digital finance is growing rapidly and policymakers are trying to balance innovation, financial stability and monetary control.

Ethiopia's horticulture sector gains ground in global markets

By Eyasu Zekarias

Ethiopia's horticulture sector is expanding its reach in global markets, supported by stronger quality standards, improved regulation and growing demand in Europe, Asia and other destinations.

Industry officials say the sector is becoming increasingly competitive as exporters secure access to new markets while maintaining long-standing trade links with buyers in the Netherlands and beyond.

The Ethiopian Agricultural Authority says the country's floral and horticultural exports are gaining momentum across multiple trade corridors. Deputy Director General Wondale Habtamu said South Korea has emerged as a high-value market for Ethiopian flowers and other horticultural products, with prices often higher than in traditional European destinations.

According to Wondale, access to the South Korean market followed bilateral engagement and the resolution of biosecurity and quarantine requirements. South Korean regulators also carried out on-site inspections at Ethiopian production sites, helping open the way for smoother export procedures.

China has also become an important destination. Wondale said Ethiopian suppliers have secured a five-year operational guarantee in the Chinese market, a longer term than many developing countries usually receive. He said more than 2,600 businesses have been registered for the 2025/26 production cycle, covering coffee, sesame, fruits and soybean products.

Despite the opening of new markets in Asia, the Netherlands remains a key benchmark for Ethiopian cut flowers. The Dutch auction system continues to provide a reliable year-round outlet, but exporters must meet strict phytosanitary and disease-control standards to stay competitive.

Officials say Ethiopia's progress in Europe has been supported by work with international regulatory bodies and diplomatic missions. The country has adopted standards based on the International Standards for Phytosanitary Measures, which have helped strengthen confidence in Ethiopian produce.

At a recent national agricultural certification summit, Tewodros Zewdie, director of the Ethiopian Horticulture Exporter and Producer Association, said global compliance is now a basic requirement for market access. He said buyers increasingly demand traceability, environmental responsibility and fair labor practices.

Tewodros said certifications such as GlobalG.A.P., Rainforest Alliance, organic verification and MPS remain essential for exporters. He added that the association's Silver Code of Practice has now been fully aligned with GlobalG.A.P., reducing duplicate audits and easing compliance costs for growers.

The horticulture sector's growth is also being supported by the expansion of production land. Tewodros said 33,000 hectares of arable land have been allocated for commercial farming near transport and logistics hubs. He said exports from these areas are expected to begin within the coming year.

The government has also moved to reduce bureaucratic hurdles by shifting compliance tracking, certification and testing onto digital platforms. Officials say the move is intended to improve efficiency and strengthen export oversight.

The summit, held under the theme "Agricultural Certification for Sustainable Production, Food Security, and Market Access," brought together government officials, producers, certification bodies and development partners. Discussions focused on improving compliance systems, adapting to changing market demands and addressing ongoing trade challenges.


Life Fitness
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Designed to Impress.
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CURVED ARMCHAIR W.C
Elegant curves. Superior comfort.
Perfect for any space.
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SALES
5% OFF
SAN MARINO
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Contemporary design.
Relax in style.
Built to last.
Handwoven All-Weather Rattan
Comfortable Cushion Included
Durable & Long Lasting
Phone +251 116 299 951
Mob. +251 906176017
+251 906218317
LFsales@bekdesgroup.com
Gerji, Bawa Center
Ground Floor,
Addis Ababa, Ethiopia.

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.

PHOTO: Anteneh Aklilu

Germany provides an additional EUR 12.1 million to strengthen cooperation with the African Union in key areas

Germany is providing an additional EUR 12.1 million in 2026 to support four joint programmes with the African Union (AU). The funding reinforces Germany's long-standing partnership with the AU and supports African-led efforts to advance regional integration, sustainable economic development, the energy transition and public health. The funding also provides additional support in the context of the current Ebola outbreak.

The additional funding reflects Germany's continued commitment to supporting the AU's Agenda 2063 and shared priorities for sustainable and inclusive development across the continent. It underlines Germany's support for strong African institutions and African-led solutions to common challenges. The commitments will expand ongoing technical cooperation programmes implemented in partnership with the African Union Commission and its specialised institutions. The projects are implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

Africa's 2026 Sustainable Development Report sets priorities to fast-track progress to 2030

African leaders, development partners, and experts gathered at the Africa House in New York, on the margins of the 2026 High-Level Political Forum, to present the 2026 Africa Sustainable Development Report (ASDR 2026), a key milestone that continues to shape policy dialogue and action across the continent.

The 2026 Africa Sustainable Development Report (ASDR 2026) is setting the direction for accelerated action on the Sustainable Development Goals (SDGs) and the African Union's Agenda 2063, as countries and partners intensify efforts in the lead-up to 2030.

Produced jointly by the African Union Commission (AUC), the United Nations Economic Commission for Africa (ECA), the African Development Bank (AfDB), and the United Nations Development Programme (UNDP), the ASDR remains the only publication systematically tracking Africa's progress on both the 2030 Agenda and Agenda 2063.

The 2026 edition focuses on five priority SDGs under review (SDGs 6, 7, 9, 11, and 17), highlighting their central role in driving structural transformation, climate resilience, and inclusive growth. It identifies both progress made and persistent gaps, offering practical policy options to accelerate implementation across sectors.

The African Development Bank Group to provide $13 million to bolster Ebola response-outbreak in Democratic Republic of the Congo, South Sudan and Uganda

AfDB to provide $13 million to bolster Ebola response-outbreak

On 15 May 2026, DRC announced a new outbreak of Ebola virus disease centred in Ituri province, in the east of the country, and also affecting Bunia, Rwampara and Mongwalu.

The funding package comprises a grant of USD 10 million drawing on reallocated resources from the Bank Group's DRC portfolio, and which will be channelled through the World Health Organisation (WHO). A second grant of USD 3 million, sourced from the African Development Bank's Multi-Country Emergency Assistance Project covering DRC, Uganda and South Sudan, will be implemented by the Africa Centres for Disease Control and Prevention (Africa CDC). DRC, the epidemic's epicentre, will receive USD 11 million dollars of the funding; Uganda and South Sudan will each receive $1 million from the same project.

HISTORICAL BOAT

NAPPING TIME

ADDIS STADIUM FROM CBE

Ambassador Massinga opens American Space at Hawassa University

U.S. Ambassador Ervin J. Massinga opened a new American Space at Hawassa University on Tuesday to connect Sidama Region with resources to learn about the United States and build mutual understanding. American Space Hawassa is the seventh American Space in Ethiopia, and the first in the south of the country. Sidama Region Vice President Beyene Berasa, Hawassa City Deputy Mayor Agena Neto, and Hawassa University President Dr. Chirotaw Ayele joined Ambassador Massinga at the ribbon cutting ceremony to inaugurate the space.

Separately, Ambassador Massinga met with Sidama Region President Desta Ledamo and Deputy Mayor Agena for a wide-ranging discussion on the recent federal elections, Ethiopia's national dialogue process, and the economic opportunities brought about by sustained peace. He also met with the Sidama Region Political Parties Joint Council for an open exchange on building inclusive political participation.

American Space Hawassa affirms Sidama's important role as an economic and commercial hub by linking the public with U.S.-made technologies, skills building courses, English language resources, and more.

IATA Board Appoints Saadia Zahidi as Director General

The International Air Transport Association (IATA) announced that Saadia Zahidi has been appointed by IATA's Board of Directors to the position of Director General from 1 November 2026. Zahidi will be IATA's ninth Director General and the first woman appointed to hold the position. She joins IATA from the World Economic Forum (WEF) where she is a Managing Director and Member of the Managing Board.

Willie Walsh, IATA's current Director General, will conclude his duties on 31 July 2026. The IATA Board of Directors has appointed Sandrine Le Borgne, IATA's Chief Financial Officer and Senior Vice President for Corporate Services, as Interim Director General for the intervening period.

"The Board is very pleased to appoint Saadia Zahidi as Director General of IATA. Saadia's long and outstanding experience at the World Economic Forum will enhance and strengthen IATA as the voice of the world's airlines. Global air transport is a trillion-dollar industry that has and continues to change the world for the better.

Kenya, UN ECA, AU-IBAR and IGAD launch national effort to build climate resilience in livestock, land and insurance systems

The Government of Kenya, together with the United Nations Economic Commission for Africa (ECA), the African Union Inter-African Bureau for Animal Resources (AU-IBAR) and the Intergovernmental Authority on Development (IGAD), today launched the Kenya National Inception Meeting under the project Accelerating Food Systems Transformation for Resilience to Climate Change in Africa at AU-IBAR headquarters in Nairobi.

The meeting marked the operational start in Kenya of a three-year regional initiative that will also be implemented in Uganda and Somalia from 2026 to 2028. The project seeks to strengthen the resilience of livestock-based food systems to climate change and variability through four interconnected areas of work: livestock value chains, climate/index-based livestock insurance, land tenure security, and climate-land information systems for evidence-based decision-making.

The inception meeting brought together representatives from national and county governments, the National Land Commission, development partners, pastoralist associations, private-sector institutions, researchers, and technical experts to review four inception reports and agree on a Kenya-specific implementation roadmap.

Capital NEWS IN BRIEF

Kenya Calls for Global Push to End Sudan Conflict

Kenya has renewed its call for coordinated regional and international efforts to end the devastating conflict in Sudan, warning that continued fighting is worsening one of the world's gravest humanitarian crises while threatening stability across the Horn of Africa. Speaking during the Third Forum of Special Envoys and Representatives on Harmonizing Regional and International Mediation Efforts for the Sudan Peace Process in Nairobi, Prime Cabinet Secretary Musalia Mudavadi urged the international community to act with urgency to restore peace in the war-torn country. ... The Prime Cabinet Secretary outlined five priorities that should guide the peace process. They include an immediate cessation of hostilities, an inclusive Sudanese-led political dialogue, stronger coordination among regional and international mediators, expanded humanitarian assistance and accountability for those responsible for violations of international law. He emphasized that any political settlement must involve civilians, women, youth, religious leaders, professional associations, business leaders and civil society to ensure lasting peace.

(The Standard)

Ethiopian Police Arrest Alleged Leader of Multi-million-dollar Trafficking Ring

Police in Ethiopia say they have arrested 17 suspects including the alleged leader of what they say is a multi-million-dollar international human trafficking network. The gang is accused of "the deaths of 60 migrants", sexually abusing many women, and torturing Ethiopian migrants in Yemen - allegedly collecting more than 1bn Ethiopian birr ($6.1m; £4.6m) from victims in the process. Suspected ringleader Mohammed Tahir, aka "Wordi", and his co-accused have yet to appear in court or comment on the allegations. ... The alleged traffickers are accused of transporting more than 40,000 Ethiopians to Saudi Arabia, through Djibouti and Yemen. The ring is alleged to have operated detention warehouses in Yemen, a nation with scant rule of law after being devastated by civil war. It remains one of the world's worst humanitarian crises, according to Human Rights Watch. It is here that they allegedly filmed migrants while torturing them as a way to extort money from their terrified relatives back home. Police spokesperson Jeylan Abdi told BBC News Amharic that the suspects were arrested in the capital, Addis Ababa, and the eastern city of Harar, in a "15-day operation".

(BBC)

Funding, Security Still Challenge South Sudan Election Preparations

South Sudan's National Elections Commission (NEC) has made substantial progress in preparations for the country's first post-independence general elections, with electoral commissioners appointed in almost all states; however, funding gaps, insecurity, and logistical challenges continue to threaten the electoral timetable. Speaking during an interview, NEC Chairperson Professor Abednego Akok said the commission has already established its structures across most parts of the country, leaving only the appointment of commissioners in Malakal before completing the nationwide deployment. ... Akok explained that the electoral process will be conducted in phases, beginning with voter registration, followed by candidate registration, voter education, and polling. ... Security remains one of the biggest challenges facing the planned elections. Akok acknowledged that some parts of the country continue to experience instability, which could affect voter registration and polling. ... Funding is another major obstacle. ... South Sudan has repeatedly postponed elections since gaining independence in 2011.

(Radio Tamazuj)

AI Could Lift Sub-Saharan Africa Economy 4% if Power, Internet Improve, IMF Says

Artificial intelligence could boost Sub-Saharan Africa's economy by about 4% over the next decade with better electricity supply, internet access and digital skills, an International Monetary Fund paper showed on Tuesday, but without such reforms the growth dividend could be negligible. As countries and companies race to secure AI's economic benefits, investment in data centres, energy infrastructure and digital networks is surging worldwide. But Sub-Saharan Africa, which ranks lowest on the IMF's AI Preparedness Index, risks capturing only a fraction of the potential gains if infrastructure bottlenecks remain unaddressed, the paper found. ... Africa remains on the margins of the global AI boom, with Sub-Saharan Africa recording one of the lowest AI adoption rates of any region worldwide, behind every region except South Asia. The IMF's AI Preparedness Index attributes the gap to shortfalls in digital infrastructure, technical skills and regulatory capacity that limit both adoption and the region's resilience to labor-market disruption.

(Reuters)

Term of the Day

FIAT MONEY

Definition

Fiat money is a type of currency that derives its value from government regulation or law rather than a physical commodity.

The Glitter and the Gaps: Reflections of a returnee on Ethiopia's uneven transformation

By Mengistu Weldemariam

After twenty eight years away, I returned home with equal parts excitement and apprehension. Six months have now passed—long enough to observe, to listen, and to feel the pulse of Addis Ababa beyond the headlines and the celebratory narratives. And what I have seen is a country shimmering with ambition, yet shadowed by widening vulnerabilities that threaten the very social cohesion we proudly claim as our national fabric.

Walking through Addis today is like stepping into a city determined to announce itself to the world. The new roads, the polished pathways, the parks, the gleaming buildings—these are achievements worthy of admiration. They reflect a nation that refuses to be defined by its past. But beneath this glitter lies a quieter, more troubling reality: the transformation is not translating into security, dignity, or opportunity for the majority.

The parks are for everyone, yes. But financial security is not. Meaningful jobs are not. Affordable housing, reliable transport, and accessible healthcare remain out of reach for millions.

This is the contradiction that compelled me to write—not to diminish the progress, but to illuminate the widening gap between the visible and the lived.

A City Growing, A People Struggling

The newspapers speak of growth. The news channels speak of modernization. But the lived experience of ordinary citizens tells a different story.

According to the World Bank (2024), Ethiopia's poverty rate has risen to 31%, reversing years of progress. Urban living costs have surged: food inflation reached over 30%, and housing costs in Addis have climbed beyond what most households earning the median income can afford. The UNDP's 2023 Human Development Report notes a decline in real household consumption, meaning people are earning more nominally but living worse in real terms.

A few are doing exceptionally well—so well that the system increasingly appears designed to let a small group win by default. But the majority are being pushed into precarity. This is not merely an economic issue. It is a social one. It is a political one. And it is a moral one.

The Youth Bulge: A Sleeping Volcano

Policy makers often speak of Ethiopia's "demographic dividend"—the idea that a young population is an economic advantage. That may have been true in the industrial era. But in the age of AI, automation, and rapid technological displacement, the dividend can quickly become a demographic time bomb.

The International Labour Organization (ILO) estimates that over 60% of Ethiopian youth are either unemployed or underemployed. Meanwhile, the new economy demands skills that our education and training systems are not yet prepared to deliver. The pace of technological change is outstripping the pace of skill development, leaving young people stranded between aspiration and reality. The labour market is shrinking faster than new jobs are being created, and digitalisation is displacing more workers than it absorbs. Governments around the world—including in the West—are back pedalling, struggling to balance innovation with inclusion. Ethiopia is not alone, but Ethiopia is more vulnerable.

Digitalisation Without a Safety Net

The government's race to digitalise services is understandable. Modern economies require efficiency, transparency, and technological integration. But digitalisation without social protection is not modernization—it is exclusion.

When a government has limited fiscal capacity to provide welfare support, rapid digitalisation can unintentionally dislocate thousands of public sector workers, create new jobs that require skills most citizens do not yet possess, and widen the gap between the digitally fluent and the digitally forgotten. This becomes counter intuitive development: creating jobs while simultaneously erasing others, often among the most vulnerable. Digitalisation must therefore be paced, sequenced, and accompanied by reskilling programs—not rushed as a substitute for economic justice.

Why the Free Market Alone Cannot Govern

There is a dangerous assumption circulating in policy circles: that the free market can solve everything. It cannot.

Markets allocate resources efficiently, but they do not allocate compassion. Markets reward competitiveness, but they do not guarantee dignity. Markets create wealth, but they do not ensure fairness. The domain of government—its moral obligation—is to ensure that no one is left behind. Ethiopia cannot afford to copy and paste models from countries with different histories, institutions, and social contracts. A society where only a few win is not a society—it is a marketplace.

The Political Implications of Vulnerability

When citizens become economically vulnerable, the consequences are not abstract. They are political. They are psychological. They are existential.

Increased vulnerability breeds frustration, hopelessness, mental health crises, social fragmentation, and distrust in institutions. If economic justice is not prioritized, governments may find themselves building more prisons than universities—not because people are inherently criminal, but because desperation is combustible. A nation cannot sustain glitter on top of growing cracks.

A Call to the Upper Class and Business Community

The upper class and business community must pay heed. Their prosperity is not insulated from the instability of the majority. Social cohesion is not a luxury—it is the foundation of every investment, every enterprise, every dream. A society is strongest when its people rise together, not when a few rise while many sink.

A Returnee's Hope

Despite the concerns, I remain hopeful. Ethiopia is a country of resilience, creativity, and profound social bonds. But hope alone is not a strategy. We must confront the uncomfortable truths: growth is not the same as development; glitter is not the same as equity; modernization is not the same as inclusion.

If we want a future where the transformation of Addis is felt not only in its skyline but in its households, we must commit to economic justice, balanced digitalisation, and a humane approach to governance.

I returned after twenty eight years because I believe in Ethiopia. I still do. But belief must be matched with action—and action must be guided by compassion, evidence, and a clear understanding that no society can shine when its people are dimmed by vulnerability.

The writer can be reached via weldemariammengistu@gmail.com

Capital features a variety of independent voices; the opinions articulated in this column are the author's own and operate independently of our corporate viewpoint.

Entrepreneur PROFILE:

RESUME

Name: Yared Alemayehu

Education: BA in Education

Company name: My English language training center

Title: Founder

Founded in: 2024

What it does: English Language training

Hq: Addis Ababa

Number of Employees: 16

STARTUP CAPITAL

50,000 BIRR

CURRENT CAPITAL

Growing

BIG PICTURE

Reason for starting the Business: Sick and tired of being an employee

Biggest perk of ownership: Being responsible for your own success and failure

Biggest strength: Patience

Biggest challenge: Finding the right people for the job

Plan: Building the largest language training institute in Ethiopia

First career: I was a regular school teacher

Most interested in meeting: None

PERSONAL

Most admired person: I admire people who work so hard and find themselves

Stress reducer: Being with my lovely family

Favorite pastime: I love watching football games and being with my favourite people

Favorite book: The monk who sold his Ferrari (Robin Sharma) and Atomic Habits

Favorite destination: I would love to travel around the world

Favorite automobile: Range Rover

DAILY EXCHANGE RATE

July. 24, 2026

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Commercial Bank of Ethiopia

CURRENCY	BUYING	SELLING
US DOLLAR	158.83	162.00
POUND STERLING	208.83	213.00
EURO	181.54	185.17
SWISS FRANK	192.57	196.42
SWEDISH KRONER	16.17	16.49
CHINESE YUAN	23.00	23.46
UAE DIRHAM	43.24	44.11
JAPANIS YEN	0.96	0.98

INTERVIEW

PRODUCTIVE CREDIT PUSH

In this exclusive interview with Capital, economist and banking expert Eshetu Fantaye examines the National Bank of Ethiopia's shift from bank credit caps to a reserve requirement-based framework, arguing that the real test will be whether lending is redirected toward productive sectors rather than government debt and speculative activity. Excerpts;

Capital: The National Bank has lifted the credit cap for banks. What impact will this decision have on the sector?

Eshetu Fantaye: That is a critical question. Access to transparent, granular financial data remains a challenge. If we see reports claiming a 24% disbursement rate, it is highly improbable that this is directed toward the private sector. It is more likely inflated by investments in Treasury bills and bonds. Currently, the monitoring of these figures is aggregate, which masks the reality. If government debt instruments are counted toward credit growth targets, then surpassing these caps is inevitable.

In practice, only a few major institutions—most notably the Commercial Bank of Ethiopia—possess the liquidity to simultaneously manage foreign currency requirements and heavy investments in government securities. While the decision to lift the cap is conceptually sound and offers necessary flexibility to capable banks, its success depends on implementation. If banks do not

integrate a rigorous assessment of "supply impact" into their credit approval process, simply removing the cap will not achieve the desired economic outcome.

Capital: Are there parallels between the current climate of intervention and the restrictive, individually managed approach seen in 2009? What is your view regarding the new scheme for controlling credit growth and containing inflation?

Eshetu: The parallels exist in the mindset, but the mechanics are different. That earlier approach had a profound impact on banks' decision-making processes. From a financial perspective, investing in Treasury bills and bonds is highly attractive for banks: it requires no provisioning (unlike private sector loans), and government exposure is treated as a sovereign asset, essentially risk-free.

This creates a systemic bias. Without explicit incentives or clear policy mandates, there is no guarantee that banks will shift their internal risk allocation away from "easy," collateralized government debt toward the productive sector. Until the Ministry of Finance and the National Bank align their strategic thinking with long-term revenue generation rather than short-term borrowing, this institutional bias will persist.

Capital: You have often characterized the government's relationship with credit as an "addiction." Could you elaborate on why this focus on domestic borrowing is problematic compared to private sector lending?

Eshetu: Precisely. When the government focuses on domestic borrowing through bills and bonds, it is essentially just receiving a loan—it is a closed loop. However, consider the alternative: if that capital were directed toward exporters, manufacturers, or SMEs struggling with working capital, the economic multiplier effect is significant.

When a manufacturing company expands production, the government doesn't just get

INTERVIEW

a loan repayment; it generates a diverse, recurring tax revenue stream: VAT, withholding tax on transactions, payroll taxes from new hires, and pension contributions. This is what I call the "snowball effect."

Currently, this year's budget relies on 329 billion birr (14%) in domestic borrowing. If that sum were instead channeled into productive credit—working capital for import substitution or export expansion—the resulting tax revenue for the Ministry of Finance would be far more sustainable than the current reliance on debt. Unless the budget is visualized through this lens—where credit to the productive sector acts as a catalyst for future tax capacity—the reliance on domestic borrowing will remain difficult to break.

Capital: Given this, what is the role of the National Bank? Should we expect a return to a command-economy model where the regulator dictates lending quotas to individual banks, or are there more subtle levers available?

Eshetu: The National Bank neither should nor needs to direct individual banks on lending decisions. It possesses powerful monetary instruments, such as reserve requirements, which can be used as a lever. For instance, it could incentivize banks to lend to agriculture, manufacturing, and exports at favorable rates (e.g., 10–12%) by allowing them to utilize a portion of their required reserves.

This is not a subsidy; it is "operational orchestration." The challenge lies in ensuring the IMF and other international partners understand that these are targeted monetary tools designed to correct market failures, not artificial subsidies. This approach requires sophisticated monitoring and evaluation skills.

Capital: If lending caps are lifted, how can we ensure that funds don't simply flow into non-productive areas like real estate or retail trade?

Eshetu: That is the crux of the issue. If banks, after caps are lifted, channel funds into real estate, wholesale, or import-focused retail trade, the inflationary impact will be identical to that of domestic government borrowing.

However, if that capital enters the productive sector—manufacturing or export-oriented industries—the impact is transformative. It creates structural change by easing supply-side constraints. When the Central Bank shifts its focus from merely managing the "money supply" to monitoring the "quality of credit distribution," the results will be profound. We must move away from a culture that prioritizes easy, import-driven returns and toward an ecosystem that rewards value-added production. Lifting the cap is a vital first step, but it must be paired with disciplined, productive-sector-focused credit policy to be effective.

Capital: Isn't the National Bank of Ethiopia's new strategy of controlling banks through reserve requirements just a return to the approach used in 2009?

Eshetu: Look, whether we like it or not, our current instruments for controlling inflation are price-related, and any market "swing" will have a significant impact. You can only withstand this by expanding supply. If you fail to do so, the resulting volatility increases the government's debt repayment burden.

Why? Because as market prices rise, you are unable to break the cycle where domestic returns are driven by simple, non-productive activities. Consequently, you cannot stop imported inflation or inflation driven by rising local production costs. It is a vicious circle.

The path currently being taken is the correct one. Authorities understand that they must continuously monitor credit allocation. Are loans going to the productive sector? By ensuring they do, you expand supply, increase tax capacity, and reduce domestic borrowing. Simultaneously, this strengthens your ability to maintain price stability. In 12 to 24 months, as the system stabilizes, we will be in a much better position than we were during the "cap" period.

Regarding the "cap," it simply allowed banks to lend to whomever they chose, often relying on existing, relationship-based lending. If a stranger approached them for a loan, they would often turn them away, citing risk assessment. The question is whether the current method will change this behavior, as the bank is effectively saying, "I will control you through a different set of levers." That is my primary concern.

The challenge you are raising is one that countries like Tanzania, Rwanda, and Uganda have faced. They didn't overcome it through a "cap"; they succeeded by fine-tuning the monetary instruments already at their disposal.

Capital: Given the high liquidity compared to the mandatory reserve, the changes in interest rates, and the pressure on "idle" funds, what is your outlook for the market?

Eshetu: This is precisely why

I stress that success hinges on operational orchestration, skill, and discipline. The mere presence of liquidity in the system doesn't dictate bank behavior. I always adopt a CEO's perspective: if I were in that position, what would I do?

In a credit-capped environment, the focus shifts from who to lend to to which loans will generate a return with the least hassle. Currently, Treasury bills offer 10-11% returns, while most banks' average cost of funds hovers between 4.5% and 5.5%. If the net interest margin on government T-bills is 11.5%, you're looking at a comfortable 6% net margin every few months—without the need for provisions. As an operations manager, my priority would be to acquire these T-bills and bonds. However, this strategy fuels domestic borrowing and crowds out the private sector. The only private sector loans that survive are "safe," collateralized, and relationship-based—often in trade or imports, which are inherently inflationary.

Reversing this trend—by mandating loans to the productive sector, regardless of the cap—is what reduces domestic borrowing and boosts the Ministry of Finance's tax collection capacity. Operationalizing this requires internal capabilities, such as a standardized system for reporting credit disbursement by sector.

When all banks report their credit disbursements using the C-code, the flow of money becomes transparent. If it's directed towards trade or import financing, it's inflationary. If it goes to productive sectors, it expands supply, generates revenue for the Ministry of Finance, and lessens domestic government borrowing.

If authorities genuinely implement this, the outcomes will benefit everyone. However, if this is merely a temporary "tick-the-box" exercise to satisfy IMF conditionality—a way to claim "mission accomplished"—then we'll see inconsistent results. It's like students: some study out of internal motivation, while others only do so under duress.

We aren't undertaking this for the IMF; we must do it to "clean house," shield our citizens from inflation, and foster productive employment. The Ministry of Finance and the Central Bank must fully grasp that domestic borrowing harms the economy, whereas productive sector lending strengthens it. They must move beyond mere "lip service" and ensure these policies translate into actual, daily practice.

Society

Is flexible exchange rate the answer to Ethiopia's external balance conundrum?

By Matias Assefa

Many, perhaps most, readers are aware that it is exactly two years since Ethiopia started off on a journey toward a market-determined exchange, with the birr losing all its dollar value shortly thereafter. A principal objective of taking the new policy direction was to achieve price competitiveness, especially in nontraditional exports, thereby correcting Ethiopia's external balance and improving its international payments position. Interestingly, the current account deficit declined markedly from 2.9% of GDP in fiscal year 2023/24 to 1.3% in 2024/25, before rising (tentatively) to 2.5% of GDP in 2025/26. It is projected to stabilize at around 2% of output by 2027/28 – the end of our IMF-backed adjustment program.

The question at issue is: Has there been enough evidence so far to regard a flexible exchange rate as the magic wand to be waved over Ethiopia's external balance problems?

Grasping the nation's external balance problems is a natural starting point. Per IMF data, our current account (economically the crucial component of Ethiopia's official settlements balance) had on average a somewhat worrisome deficit of 5.3% of GDP over 2001-2025, peaking in 2006 at 10.4%. The trade deficit – the shortfall of exports from imports of goods and services – averaged 15.6% of GDP. Export receipts paid for, on average, just 23.8% of imports annually. Ethiopia's export base has been low and narrow, with goods exports averaging just 5.3% of output in that same quarter of a century. In brief, we have run persistent current account (trade) deficits. And these trade deficits count as a deduction against our economy, which is epitomized by mass unemployment. Further, there have been recurrent balance-of-payments (BOP) deficits, whose financing has required sales of domestic firms to foreigners, drawing down foreign exchange reserves, donor budget support, and incurring foreign debts. And official international reserves averaged the equivalent of just 1.8 months of prospective imports during the 25-year period. Last, although the data are unavailable, Ethiopia is surely a net debtor country with negative net foreign wealth (roughly the cumulative sum of current account deficits). Altogether Ethiopia could do with an improved current account.

The next step is to identify the reason Ethiopia runs current account deficits. And at its core, it comes down to the fact that the country has not been spending within its means. That is, it's because our economy uses more goods and services than it produces, or because it invests more than it saves. To substantiate this, Ethiopia has been investing 27.3% of GDP on average during 2001-2025, while saving only 12.8%. The implied resource gap roughly matches our trade deficit as a share of GDP. And inasmuch as our exchange rate affects relative prices of exports and imports, it is the one that helps translate resource gaps into trade gaps.

That being the case, the IMF essentially believes that if Ethiopia can get its exchange rate right, it can correct its external imbalances. For it already declared that an overvalued Ethiopian birr had been "the source of deep, long-standing macroeconomic distortions and protracted BOP vulnerabilities." It also called for the abandonment of managed floating exchange rates in favor of freely floating ones. But as it happens, the IMF's belief is a bit overenthusiastic.

For a start, while the birr's overvaluation has been adjudged "eliminated" since the currency fell off a cliff a year ago, let's not mistake this as an indication that the birr is now completely flexible; it is not. For the National Bank of Ethiopia still intervenes in Forex to temper exchange rate changes; specifically, it's selling U.S. dollars for birr through auctions open to commercial banks. Doesn't this capture the essence of a flexibly managed exchange rate regime? Or shall we call the current system a "dirty float"? And despite the IMF's wish for quick price discovery, the exchange rate is yet to be "market-clearing" in the exact sense of the term.

Which is not to call for a clean float. Insofar as the intention is to make the real exchange rate competitive enough to promote a rapid growth in non-primary/manufactures exports, why would anyone demand freely floating exchange rates, which are infamous for their undependability? Floating rates jump around a great deal owing to market forces, being exposed to destabilizing speculation (unless buttressed by capital controls). On the other hand, the private sector needs to have confidence in the real exchange rate's competitiveness for years to come in order to undertake the necessary plant and equipment investments for expanding export industries or capacity. Doesn't this inevitably lead us to root for an intermediate exchange rate regime (like managed floating!)? The authorities should realize that if they really mean to have a market-driven exchange rate while allowing private capital mobility and retaining monetary policy autonomy, they must necessarily be willing to give up currency stability and, with it, confidence.

And there's more. Combined with capital inflows, a floating exchange rate would enable deterioration in our current account. Ethiopia, we know, takes pains to attract more foreign direct investment (FDI), and the government prides itself on succeeding in doing this. Indeed. FDI can contribute required capital, skills, and know-how. But guess what – it is also normally accompanied by higher trade deficits. How so? Such an investment inflow, apart from resulting in more imported parts and materials, strengthens a local currency in Forex, hurting exports, promoting imports, and thereby increasing net imports.

Matters, indeed, become even more complicated outside Forex. Devaluation of the birr by no means necessarily, or even presumptively, lowers the relative price of Ethiopian goods. First, it depends on domestic inflation, which is erratic. Largely as a result, for example, even though nominal effective exchange rate was devalued on average by 4.5% during 2006-2020, real effective exchange rate still appreciated by 5%, failing to improve our presumed cost/price competitiveness. But second, Ethiopia has little or no influence over its terms of trade, anyway. The U.S. dollar prices of coffee and gold are fixed, determined on world markets; so currency overvaluation has not actually made our main exports look expensive compared with their counterparts sold abroad. In either case, our exchange rate gets lost in translation, so to speak.

No doubt, devaluation does result in higher birr prices for both exported and imported goods, creating an incentive for exporters, a disincentive for importers. But volumes do not adjust automatically. In fact, our export/import volumes can be deemed insufficiently responsive to the birr price changes. The export supply response is weak mainly due to well-known capacity constraints. The demand for imports (like capital equipment, fuel, medicine and fertilizers) is predominantly structural, and hence is not materially squeezable without hurting growth and living standards. That is, import prices are unlikely to go high enough to cause a serious fall in demand for economic essentials, for which domestic substitutes are not readily available. Under such conditions, birr's depreciation is more likely to worsen the trade account than to improve it.

But haven't Ethiopia's export volumes increased in the wake of the huge devaluation? Yes, they have – but with major caveats. First, our export story principally features a handful of primary commodities that are volatile in nature, not manufactures. Also, the export quantities of both coffee and gold partly reflect a drawdown in hoarded inventory. And some amount of gold has moved from illicit to official channels due to price premiums paid by the NBE – a dominant buyer. Some amount of coffee, too, has shifted from domestic to export markets, not least due to preexisting efforts by the government to increase both the quantity and quality of coffee produced. The point is that it would be a stretch to claim an explicit link, as the standard theory would have it, between devaluation and export volumes herein.

To be fair, the current Ethiopian government has demonstrated a belief that the BOP constraint can be overcome not only by export growth but also by import substitution. For it argues that it has "saved" billions of U.S. dollars in just under two years by substituting for particular imports. Yet the aggregate value of goods imports increased in each of the past two fiscal years. Suppose, instead, that Ethiopia does succeed in significantly reducing its imports, while the exchange rate is sufficiently floating. Then our demand for U.S. dollars would decline, and so would the birr value of those dollars. And a stronger birr would make the local prices of exports lower than they would have been otherwise, possibly hurting exports. One, then, can't help remembering the Nobel Prize-winning economist Paul Krugman's quip: "Squeezing any one piece of the trade deficit is like pushing on a balloon: It just expands someplace else."

Can a real depreciation of the birr have a decisive positive impact on the current account if sufficient time is allowed to pass? The IMF certainly thinks so. After all, it is providing us with loans in foreign currency to finance trade deficits during the period before our trade account can be expected to respond as intended. True, favorable technological and structural changes also occur in the long run. But the fact that devaluation has not improved the trade balance during the past 35 years, coupled with the weak exchange rate-trade flows link, is a reason to be skeptical.

All this said, our policymakers are not devoid of options to try to improve the trade account. We know the latter can improve only if national income grows by more than the growth in domestic spending, or only to the extent that national savings rise relative to domestic investment. So, checking our investment spending is neither desirable (since Ethiopia has productive investment opportunities) nor feasible. The same is true for foreign capital inflows, which we need for our economic expansion. That leaves accelerating national savings as the more attractive route to financing the resource gap. But which saving should be accelerated – private or public?

Less painful to the public would be raising private saving – by lowering taxes, increasing government transfer payments to households, and/or pushing the savings-deposit interest rate upward. But, alas! the government has already embarked on the more painful course, namely accelerating its own saving by reducing the budget deficit. It is painful because fiscal policy has been tightened severely to hold back domestic spending that already denotes poor standard of living. And this is on top of the pain caused by a consumer-price surge directly attributed to devaluation – one that many Ethiopians, especially those in urban centers, have endured over the past two years. More to the point, slashing government deficit has a negative impact on private saving, possibly causing national savings to rise very little or not at all, while investment may also go up concurrently, keeping the current account from unambiguously improving in the end.

So returning to the original question, no, there is no external balance miracle that a flexible exchange rate will conjure up. For that matter any type of exchange rate regime is only one piece of the current account jigsaw. And for Ethiopia, the most vital pieces arguably lie outside Forex. But all elements must fall into place if foreign trade is to adjust to the policymakers' liking.

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Capital features a variety of independent voices; the opinions articulated in this column are the author's own and operate independently of our corporate viewpoint.

Africa's Greatest Artists Gather for First-Ever World Public Summit in Ethiopia

Some of Africa's most accomplished contemporary artists will converge in Addis Ababa on July 29 for one of the continent's largest international cultural showcases, as the "Unity" exhibition opens alongside the inaugural World Public Summit Africa on July 29–30, 2026.

Featuring artists from 16 African countries, the exhibition forms the cultural centerpiece of the summit and showcases the richness, diversity and growing global influence of contemporary African art through paintings, sculpture, collage, digital art and mixed-media installations.

The exhibition brings together acclaimed artists from Cameroon, the Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Madagascar, Namibia, Nigeria, Rwanda, Senegal, South Africa, Sudan, Tanzania, Tunisia, Zambia and Zimbabwe, alongside an Afro-Brazilian artist whose work reflects Africa's enduring cultural connections across the diaspora.

Curated around the theme "Unity," the exhibition explores shared identity, cultural memory, hope and the future through diverse artistic voices. Rather than presenting Africa as a single narrative, it celebrates the continent's remarkable cultural diversity while highlighting the common values that connect its peoples.

The exhibition forms part of the World Public Summit Africa, which is being held under the theme "A New World: Africa in Shaping a Shared Future."

The summit will bring together over 700 government leaders, diplomats, business executives, academics, innovators, civil society organizations and cultural leaders to explore new opportunities for international cooperation and sustainable development.

Among the featured artists are Nigeria's Precious Longret Samuel, whose work examines culture as a living repository of collective memory, Ethiopia's Selamawit Gebretsadik, who explores unity through natural symbolism, and Senegal's Khalifa Mané, whose work reflects on the responsibility of building a shared future for generations to come.

Secretary-General of the World Peoples Assembly, Andrey Belyaninov, said the exhibition demonstrates the growing role of culture in strengthening dialogue between nations.

"Art is one of humanity's most universal languages and one of the most effective instruments of public diplomacy. It brings people together where words alone may fail, helping us discover what unites us despite our differences. Holding the World Public Summit in Addis Ababa is a recognition of Africa's role as one of the centers shaping a new world.

"Today, we understand more clearly than ever: the future cannot be built alone. It is born in dialogue, in trust, in the ability to listen to one another and to act together."

Tsegaye Chama, General Secretary of the Global Black Center promised that "The Summit will be delivered with exceptional distinction, reflecting the magnitude and spirit of the World Peoples Assembly. It embodies a unity that is not transactional, but purposeful and conscious, a unity that shapes new contours for a world that works for all peoples of the World."

One of the summit's other significant initiative is an international, interdisciplinary scientific study examining the socioeconomic impact of the Zambezi River on the development of six African nations: Angola, Zimbabwe, Zambia, Namibia, Botswana and Mozambique.

Titled "The Zambezi River: Economy, Society, Soul," the initiative reflects the summit's broader vision of exploring Africa's development through interconnected perspectives—economic opportunity, social progress and cultural identity.

With delegates expected from across Africa and around the world, expectations are high that the inaugural World Public Summit Africa will establish a lasting platform for dialogue, inspire new partnerships, strengthen regional and global cooperation, and reinforce Africa's growing voice in shaping the future of global development.

It is symbolic that after the Summit concludes, the exhibition will continue its journey in Moscow. It will inspire new cultural initiatives, and help strengthen friendship among nations.

Ethiopia's Kagnew Song Rings Out in Gwanghwamun, Bridging 75 Years of Friendship

A meaningful stage honoring the sacrifice and solidarity of nations that fought in the Korean War was held at Gwanghwamun Square in Seoul, featuring a performance by descendants of Ethiopian Korean War veterans.

On the afternoon of the 22nd, the cultural exchange performance "Courage of That Day, Song of Today" was held at the Garden of Gratitude in Gwanghwamun Square, bringing together the Kagnew Choir, composed of descendants of veterans from Ethiopia's Kagnew Battalion, and the Seoul Metropolitan Arts Company.

The performance was arranged to honor the dedication of Ethiopia's Kagnew Battalion, which fought for the Republic of Korea during the Korean War, and to carry the ties between the two nations forward through the culture and friendship of future generations.

The event gained added significance by being held at the Garden of Gratitude, which symbolizes the sacrifice of the 22 participating nations and the Republic of Korea.

About 300 people attended, including Seoul Mayor Oh Se-hoon, figures from the veterans affairs and

cultural and arts communities, and citizens.

The performance opened with a string quintet by the Seoul Philharmonic Orchestra, followed by a b-boy performance and the Seoul Metropolitan Choir's renditions of "Longing for Mount Kumgang" and "Beautiful Country." The Kagnew Choir performed "Spring in My Hometown" and "Hollo Arirang" in Korean, conveying gratitude for the sacrifice of the veteran generation and a message of peace. At the end of the performance, a flower bouquet presentation and a "Light of Gratitude" ceremony were held together by a children's press corps and the choir.

The Kagnew Choir is a group composed of descendants of Ethiopian veterans, founded in 2018. This visit to Korea includes veteran Tesfaye Asmamaw (95) and 34 members aged 8 to 16, who have been visiting Korea on a 36-day schedule since June.

Ethiopia was the only African nation to deploy ground forces during the Korean War. The Kagnew Battalion, organized by Emperor Haile Selassie around the Imperial Guard, arrived in Korea in 1951 and was deployed to major battles including the Battle of Jeokgeun Mountain and the Iron Triangle offensive and defensive campaign. A total of 3,518 troops served until the armistice. After the war, the battalion also contributed to postwar reconstruction, including operating the "Bohwawon" childcare facility for war orphans.

Mark (14), a member and descendant of a veteran, said, "I am proud that Korea has not forgotten my grandfather's sacrifice," while Blin (15) shared, "I hope the friendship between the two nations continues for a long time."

Meanwhile, the Garden of Gratitude has been establishing itself as a new historical and cultural landmark since its opening in May. It features 23 stone pillars symbolizing the 22 participating nations and the Republic of Korea, along with "Light of Gratitude 23" and "Freedom Hall," a media art exhibition space. About 1.34 million people visited during the ten days immediately following its opening.

Seoul Mayor Oh Se-hoon said, "What the Kagnew Battalion defended went beyond the territory of the Republic of Korea to freedom and the future," adding, "This is a meaningful occasion where the courage of that day carries on into the song of today."

Safaricom
ሳፋሪኮም

ብቁ ድርጅቶች ፍላጎታችሁን አሳውቁን

24/7 አጠቃላይ የሕንጻ ጥገና፣ የተሟላ የቢሮ ንብረት የማጓጓዝ አገልግሎት፣ የደረቅ ቆሻሻ የማስወገድ አገልግሎት፣ የፀረ-ተባይ ቁጥጥርና ተያያዥ አገልግሎቶች ለሚሰጡ ድርጅቶች የወጣ የፍላጎት መግለጫ ማስታወቂያ (EOI)

የተሳትፎ ፍላጎት ማሳወቂያ ማስገቢያ የመጨረሻ ቀን: ሰኞ, ሐምሌ 27, 2018 ዓ.ም. እስከ 11:00 ከሰዓት

መግቢያ

ሳፋሪኮም ኢትዮጵያ በአዲስ አበባ ከተማ ለሚገኙት ቢሮዎቹ፣ የአገልግሎት መስጫ ሱቆቹና መሰል መገልገያዎቹ ከታች የተዘረዘሩትን አገልግሎቶች የሚሰጡ ብቁ፣ ልምድ ያላቸውና ችሎታ ያላቸው ድርጅቶች ፍላጎታቸውን እንዲያሳውቁት ጥሪ ያደርጋል።

ፍላጎት ያላቸው ድርጅቶች በአንድ ወይም ከዚያ በላይ በሆነ ዘርፍ ማመልከት የሚችሉ መሆኑን እያሳወቀ ብቁ ሆነው የሚመረጡት ድርጅቶች ወደፊት በሚገለጽ ጊዜ ቴክኒካልና ኮመርሻል ፕሮፖዛል እንዲያስገቡ የሚደረግ ይሆናል።

የሚፈለጉ አገልግሎቶች

Lot 1 – 24/7 አጠቃላይ የሕንጻ ጥገና አገልግሎት
ሳፋሪኮም ኢትዮጵያ ለሚገለገልባቸው ሕንጻዎች ቀጥሎ የተዘረዘሩትን ጨምሮ አጠቃላይ የጥገና አገልግሎት አቅርቦት:
- ባለ ከፍተኛና ዝቅተኛ ቮልቴጅ ኤሌክትሪክ ሲስተምስ
- ሜካኒካል ሲስተምስ
- አሳንሰሮች
- ጄኔሬተሮች
- የእሳት አደጋ ቅድመ ማስጠንቀቂያና መከላከያዎች
- ሲሲቲቪ እና የመግቢያ ቁጥጥር (Access Control) ሲስተሞች
- የሕንጻ አስተዳደር ሲስተም (BMS)
- የማሞቂያ፣ የአየር ማናፈሻና የአየር ማቀዝቀዣ (HVAC) ሲስተሞች
- የቧንቧ ሥራ፣ ፍሳሽ አወጋገድና ሴፕቲክ ታንክ ጽዳት አገልግሎት
- የሲቪልና አጠቃላይ ግንባታ ጥገና
- የእንጨት ሥራዎች
- የቀለም ቅብ ሥራዎች
- የመብራት ሲስተሞች
- የአስቸኳይ ጊዜ የጥገና አገልግሎት
- በሣምንት 7 ቀን፣ በቀን 24 ሰዓት ዝግጁ የሆነ፣ ከተሟላ መገልገያ መሣሪያዎችና ቁሳቁስ ይዞ በሳፋሪኮም ሳይቶች የሚገኝ እንዲሁም በሚፈለግ ግዜ ፈጥኖ የሚሠማራ የቴክኒክ ቡድን
- ቀድሞ መከላከልን ታሳቢ ያደረገ የጥገና ዕቅድ፣ የጥገና የጊዜ ሰሌዳ፣ የጥገና ሪፖርት ማቅረብ እና የጥገና መረጃ ሰነድ

Lot 2 – የተሟላ የቢሮ ንብረት የማጓጓዝ (ሎጂስቲክስ) አገልግሎት፣
ከታች የተዘረዘሩትን ጨምሮ የተሟላ ንብረት የማጓጓዝ አገልግሎት አቅርቦት:
- ቢሮ በሚቀየር ጊዜ ሙሉ ንብረት ማጓጓዝ
- ንብረት እንዳይጎዳ ደረጃውን የጠበቀ የማሸግ (Packing) እና ማሸጊያ የማቅረብ (Packaging)t
- ጭነት፣ ማጓጓዝ፣ ማውረድና አድርሶ ማስረከብ
- የቢሮ ፈርኒቸርና እቃዎች መፍታት መግጠም
- በማጓጓዝ ጊዜ የተሰባበሩ፣ የወላለቁና የተጎዱ ፈርኒቸርና እእቃዎችን እየለዩ መጠገን ማደስ
- የተጓጓዙ ቁሳቁሶችን ቦታ ማስያዝ
- የማይፈለጉ ማሸጊያና ሌሎች ቁሳቁስ በአግባቡ ማስወገድ

Lot 3 – የደረቅ ቆሻሻ የማስወገድ አገልግሎት፣
ከታች የተዘረዘሩትን ጨምሮ ከአካባቢ ጥበቃ መርሆዎችና ሕግጋት ጋር የሚስማማ የደረቅ ቆሻሻ አቅርቦት:
- ቆሻሻ ለይቶ መልሶ ጥቅም ላይ ማዋል
- አደጋ **የሌላቸው** ቆሻሻዎችን ሰብስቦ ማስወገድ
- የቆሻሻ አሰባሰብ የጊዜ ሠሌዳ ማዘጋጀት
- አስፈላጊ ሆኖ ሲገኝ የቆሻሻ ማጠራቀሚያ ቁሳቁስ አቅርቦት
- የኢትዮጵያን የአካባቢ ጥበቃን የተመለከቱ ሕጎችና መመሪያዎች የማክበር ግዴታ
- በየወቅቱ የቆሻሻ አወጋገድ ደንብ ሪፖርት ማቅረብ

Lot 4 – ፀረ-ተባይ አገልግሎት
ከታች የተዘረዘሩትን ጨምሮ የተቀናጀ የተባይ መቆጣጠሪያ አገልግሎት አቅርቦት:
- ተባይ መከላከልና ቁጥጥር ተግባራት
- አይጥ ማጥፊያ
- በረሮ ማጥፊያ
- የወባ ትንኝና መሰል ነፍሳት ማጥፊያ
- መደበኛ የተባይ ቁጥጥር አገልግሎት
- አስቸኳይ የተባይ ቁጥጥር አገልግሎት
- የተመረጡ ኬሚካሎች በአጠቃቀም መመሪያው መሠረት መጠቀም እንዲሁም ኮምፕላያንስ ሰርተፍኬት ማያያዝ

መሟላት ያለበት የፍላጎት መግለጫ ሰነዶች

ተጫራቾች ቀጥሎ የተዘረዘሩትን ሰነዶች ማያያዝ አለባቸው:
- በተጠቀሰው ዘርፍ ለመጫረት ብቁ የሚያደርጋቸው የታደሰ የንግድ ፍቃድ
- የንግድ ምዝገባ ምሥክር ወረቀት
- ሕጋዊ ቲን
- የቫት ምዝገባ ሰነድ (እንደ አስፈላጊነቱ)
- የድርጅቱ የሚያስተዋውቅ መረጃ
- የድርጅቱ አስተዳደራዊ መዋቅር መግለጫ
- ድርጅቱ በዘርፉ ያካበተው የሥራ ልምድ መግለጫ
- ድርጅቱ ባለፉት 5 ዓመታት በዘርፉ የሠራቸው 3 ሥራዎች ማስረጃ
- ድርጅቱ እንደ ምሥክር የሚጠቅሳቸው ዋና ዋና ደንበኞች ከነአድራሻቸው
- ድርጅቱ ያሉት ማሽነሪዎች፣ መሣሪያዎች እና ሌሎች ጠቃሚ የሥራ ቁሳቁስ በዝርዝር
- ድርጅቱ ቀጥሮ የሚያሠራቸው ብቁ ባለሙያዎች መረጃ
- የምሥክር ወረቀቶችና ሌሎች ድርጅቱ እውቅና ያገኘባቸው ሰነዶች (እንደ አስፈላጊነቱ)
- የጤና፣ የደኅንነትና የአካባቢ ጥበቃ ፖሊሲ ሰነድ
- የድርጅቱ የጥራት አስተዳደር መመሪያ
- ሌሎች ጠቃሚና አጋዥ ሰነዶች

ሰነዱ የሚቀርብበት መንገድ

መጫረት የምትሹ የንግድ ድርጅቶች የተሳትፎ ፍላጎት ማሳወቂያ (Expressions of Interest) ከታች በተጠቀሰው የኢሜይል አድራሻ መላክ ትችላላችሁ።

ጨረታ ማስገቢያ የኢሜይል: Bids@safaricom.et

የኢሜይል ርእስ (Subject): EOI – Lot [Number] – [Service Name]

ለምሳሌ:
- EOI – Lot 1 – 24/7 አጠቃላይ የሕንጻ ጥገና አገልግሎት
- EOI – Lot 2 – የተሟላ የቢሮ ንብረት የማጓጓዝ (ሎጂስቲክስ) አገልግሎት
- EOI – Lot 3 – የደረቅ ቆሻሻ የማስወገድ አገልግሎት፣
- EOI – Lot 4 – ፀረ-ተባይ አገልግሎት

ተጫራቾች ካንድ በላይ ሥራ መጫረት ይችላሉ። ሆኖም ለእያንዳንዱ ጨረታ የሚያስገቡት ፕሮፖዛል በተናጠል ኢሜይል ለየብቻ መላክ ይኖርበታል።

ለጊዜው የሚፈለገው ቴክኒካል ፕሮፖዛል ብቻ ነው። በቀጣይ ቴክኒካል ፕሮፖዛሉን ያለፉ ተጫራቾች ኮመርሻልና ፋይናንሻል ፕሮፖዛል እንዲያስገቡ ጥሪ ይደረግላቸዋል።

Beyond the binary: Navigating epistemology, modernity, and the search for true spirituality

By Gezahegn Anbelu

The Ethiopian struggle between tradition and modernity did not begin with contemporary debates about globalization or decolonization. It is an older historical question that has shaped the country's political and intellectual life for generations.

Beginning with Emperor Tewodros II in the nineteenth century, Ethiopian leaders confronted a fundamental challenge: how could Ethiopia preserve its independence, cultural identity, and spiritual heritage while acquiring the knowledge, technology, and institutions that had allowed European powers to become globally dominant?

Tewodros understood that military weakness and technological backwardness threatened Ethiopia's survival. His attempt to modernize the army, centralize political authority, and develop new technologies reflected a realization that tradition alone could not protect a nation in an age of expanding European imperial power. Yet his vision also revealed the tension that would continue throughout Ethiopian history: modernization required transformation, but transformation raised questions about identity, authority, and continuity.

Later emperors continued this difficult balancing act. Menelik II expanded Ethiopia's diplomatic relations, adopted modern technologies, built infrastructure, and established institutions while simultaneously defending Ethiopian sovereignty and cultural independence. Under Haile Selassie I, modernization became even more closely associated with education, international engagement, constitutional reform, and state institutions. Yet the question remained unresolved: how could Ethiopia become modern without becoming merely an imitation of Europe?

This question deeply occupied Ethiopian intellectuals. They looked at Europe and Japan as examples of societies that had achieved technological and institutional advancement, but they also wrestled with the danger of cultural dependency. Japan, in particular, fascinated many Ethiopian thinkers because it appeared to demonstrate that a society could modernize while preserving its own identity.

The Ethiopian writer and intellectual Kebede Michael reflected this curiosity in his writings about Japan's transformation. The Japanese experience raised a crucial question for Ethiopia: could a nation adopt science, education, and modern institutions without abandoning its historical memory, moral traditions, and cultural foundations?

This dilemma remains alive today.

The modern Ethiopian intellectual landscape continues to navigate between two concerns. On one side is the recognition that scientific knowledge, technological advancement, and modern institutions are essential for national development. On the other side is the awareness that modernization without cultural and moral grounding can create alienation and weaken social cohesion.

Therefore, Ethiopia's search for modernity has never simply been a desire to copy the West. It has been a search for synthesis: how to acquire the strengths of modern civilization while preserving the deeper sources of meaning that sustain a society.

For Ethiopians, the tension between tradition and modernity is not an abstract academic debate. It is lived every day—in our homes, churches and mosques, universities, workplaces, and public life. We inherit one of the world's oldest civilizations, rich with indigenous wisdom, religious traditions, and strong communal values. At the same time, we are exposed to the promises of globalization, scientific progress, and liberal democracy. Increasingly, we are asked to choose between two competing narratives: either reclaim our indigenous past or embrace the model of Western modernity.

This is a false choice.

Both perspectives illuminate important truths, but both become dangerous when embraced uncritically. Ethiopia's challenge is not to choose one side over the other. It is to develop the intellectual and moral wisdom to evaluate every knowledge system according to whether it promotes truth, protects human dignity, restrains the misuse of power, and enables genuine human flourishing.

Beyond Romanticizing Indigenous Knowledge

For decades, African scholars have rightly challenged colonial assumptions that dismissed African knowledge systems as irrational or primitive. Through careful philosophical work, they demonstrated that indigenous knowledge possesses its own standards of reasoning, methods of validation, and sophisticated understanding of the natural and social world. This intellectual recovery was necessary. A people whose knowledge is denied is a people whose humanity is diminished.

Yet restoration should not become romanticization. Some contemporary discussions imply that returning to pre-colonial spiritual systems is itself an act of liberation. But history—and human nature—calls for greater caution.

Every society has wrestled with the temptation to use spiritual authority for personal power. Whether through divination, sacred rituals, political ideologies, or even organized religion, knowledge can be manipulated, fear can be cultivated, and authority can become coercive. Human beings are capable of generosity and compassion, but also of deception, domination, and hidden malice. No civilization has been exempt from this reality.

This is why defending an epistemology merely because it is indigenous is insufficient. The more important question is whether it cultivates justice, protects life, and upholds the dignity of every human being.

Epistemology cannot escape moral evaluation. Every way of knowing carries moral assumptions about what is true, who has authority, whose voices matter, and what kind of society should emerge from that knowledge. If a knowledge system consistently legitimizes oppression, fear, or dehumanization, it deserves not only intellectual criticism but also moral scrutiny.

Knowledge should therefore be judged not only by its internal coherence but also by the kind of humanity it produces.

The Crisis of Hyper-Modernity

If romanticizing the past is one danger, idolizing modernity is another. Western civilization has achieved extraordinary advances in science, medicine, technology, and political institutions. These accomplishments have improved countless lives and should be acknowledged with gratitude. Yet alongside these achievements, another story has unfolded.

Over several centuries, many Western societies gradually elevated the autonomous individual above family, community, and transcendence. Combined with increasingly market-driven forms of capitalism, human relationships themselves became vulnerable to commercialization. Success came to be measured by productivity, consumption, and personal fulfillment rather than by character, responsibility, or communal belonging.

The consequences are becoming increasingly visible: rising loneliness, declining trust, weakening families, mental health crises, political polarization, and widespread uncertainty about meaning and purpose.

Technology, globalization, and demographic change have all contributed to these developments. But they have flourished within a cultural environment shaped by hyper-individualism and market-centered values. When everything—including identity, relationships, and even morality—is treated as a matter of personal choice or market preference, societies eventually struggle to sustain the bonds that hold communities together. Material prosperity alone cannot answer the deepest human questions.

Why Every Epistemology Must Face Moral Judgment

Universities often evaluate knowledge systems by asking whether they are internally consistent or empirically verifiable. These are essential questions, but they are not sufficient.A more fundamental question remains what kind of human beings does this way of knowing produce?

An epistemology is never morally neutral. It influences education, economics, politics, law, family life, and culture. It shapes how societies understand justice, authority, freedom, and human worth. If an epistemology repeatedly produces exploitation, isolation, violence, or the destruction of human dignity, society has not only the right but also the responsibility to question its moral foundations. Truth and goodness cannot be permanently separated. Knowledge that destroys the humanity it claims to enlighten ultimately undermines itself.

Ethiopia's Opportunity

Ethiopia stands at a unique historical crossroads.We need not imitate every feature of Western secular modernity, nor should we retreat into an idealized vision of our pre-modern past.

Instead, we can pursue a more demanding path—one that welcomes scientific inquiry, critical thinking, and technological innovation while remaining anchored in enduring moral and spiritual truths.

This requires universities that encourage genuine dialogue among different knowledge traditions without abandoning rigorous standards of evidence and ethical responsibility. It requires leaders who recognize that education is not merely about producing skilled workers but about forming wise and virtuous citizens. It requires communities that value both intellectual excellence and moral integrity. Above all, it requires humility: the willingness to learn from every tradition while refusing to place any human knowledge system beyond critical examination.

The Search for True Spirituality

Knowledge is not simply intellectual. It is spiritual. Throughout history, nearly every civilization has recognized that reality extends beyond the material world. Whether expressed through different languages, cultures, or religious traditions, humanity has consistently searched for the transcendent—for God, the Creator, the ultimate source of truth and meaning.

This universal longing suggests that human beings are more than consumers, producers, or isolated individuals. We are moral and spiritual beings whose dignity cannot be measured by wealth, political power, ethnicity, or social status.

True spirituality is therefore neither a nostalgic return to ancient mystery systems nor an escape into vague personal spirituality. Neither is it compatible with a worldview that reduces human life to material success alone.

True spirituality begins by acknowledging a transcendent moral reality that stands above every culture, ideology, political system, and civilization. It reminds us that all human beings possess inherent worth because their value comes not from the state, the market, or tradition, but from God.

When knowledge is guided by this conviction, science serves humanity rather than dominating it. Tradition becomes a source of wisdom rather than oppression. Freedom is balanced by responsibility. Equality rests upon the sacred dignity of every person rather than merely legal agreement.

Beyond the Binary

The future of Ethiopia—and perhaps of humanity—does not lie in choosing between indigenous traditionalism and secular modernity. It lies in transcending that false binary.

We should preserve what is true, reject what is destructive, and remain open to wisdom wherever it is found. Every knowledge tradition—African, Western, scientific, philosophical, or religious—should be examined critically and morally. None should be accepted merely because it is ancient, modern, indigenous, or foreign. The ultimate test of any civilization is not simply what it knows, but what kind of people it forms.

A society flourishes when its pursuit of knowledge is guided by truth, restrained by moral responsibility, animated by genuine freedom, and rooted in the unshakable dignity of every human being before God.

Gezahegn Anbelu is a communication expert specializing in multiculturalism, the synthesis of diverse perspectives, and the promotion of peace, and human flourishing and can be reached via gezuanbelu@gmail.com

Beyond fair recruitment: Can Ethiopia protect its migrant workers throughout the migration cycle?

By Solomon Zena

On a quiet morning at a rehabilitation centre in Addis Ababa, a young Ethiopian woman sat silently in a counselling room. Months earlier, she had left for the Gulf full of hope after following every official requirement for overseas employment. She registered with a licensed recruitment agency, underwent mandatory pre-departure orientation, signed an employment contract and travelled through Ethiopia's legal labour migration system.

She believed she had done everything right.

Yet she returned home not with the financial security she had dreamed of, but with severe psychological trauma requiring rehabilitation before she could begin rebuilding her life.

Her story is not unique.

Across Ethiopia, thousands of citizens continue to seek employment abroad each year, particularly in the Gulf Cooperation Council (GCC) countries, hoping to escape unemployment, support their families and secure a better future. In recent years, the Ethiopian government has invested considerable effort in reforming overseas labour migration by strengthening legal recruitment systems, tightening oversight of private employment agencies and introducing new digital registration mechanisms.

These reforms are built around a simple principle: fair recruitment.

The objective is clear. Workers should migrate legally through licensed agencies, receive accurate information before departure, sign transparent employment contracts and understand both their rights and responsibilities before boarding an aircraft.

The reforms also seek to eliminate the long-standing influence of illegal brokers whose deceptive promises have exposed thousands of Ethiopians to trafficking, forced labour and exploitation.

But an important question remains.

What happens after a worker leaves Ethiopia?

Does fair recruitment alone guarantee protection once migrants arrive in destination countries? And when legally recruited workers face abuse, injury or psychological distress abroad, does Ethiopia's migrant protection system respond effectively throughout the entire migration cycle—from recruitment and employment to return and reintegration?

To answer these questions, this investigation interviewed returnee migrant workers, officials from the Ministry of Labour and Skills, the International Organization for Migration (IOM), the Confederation of Ethiopian Trade Unions (CETU), a licensed private employment agency and Agar Ethiopia, an organization supporting vulnerable returnees.

The findings reveal a more nuanced picture than either critics or advocates often present.

Ethiopia's legal recruitment system has made measurable progress in reducing some of the risks historically associated with overseas employment. However, the experiences of returnee workers suggest that fair recruitment is only the first step in protecting migrant workers. The real challenge begins after departure.

A System Built on Reform

For decades, labour migration from Ethiopia was characterized by informal brokers, irregular migration routes and weak oversight. Many workers travelled with limited information, signed contracts they could not read or understand, or arrived abroad only to discover that promised wages and working conditions differed significantly from what they had been told.

Recognizing these challenges, Ethiopia introduced a strengthened legal framework governing overseas employment. The reforms place greater emphasis on transparency, accountability and worker protection while requiring licensed recruitment agencies to register workers through the national Labour Market Information System (LMIS), verify foreign job orders, provide mandatory pre-departure orientation and ensure employment contracts are properly explained before departure.

Officials at the Ministry of Labour and Skills argue that these reforms have significantly improved the governance of overseas employment by strengthening oversight, licensing procedures and coordination with destination countries.

The International Organization for Migration shares that assessment.

According to IOM, Ethiopia continues to experience substantial labour migration, particularly to Gulf countries, while expanding opportunities through bilateral labour agreements with additional destinations. However, the organization cautions that irregular migration remains a serious concern, fuelled by misinformation, economic hardship and the continued activities of unlicensed brokers.

IOM identifies deceptive recruitment, contract substitution, excessive recruitment costs, document confiscation and inadequate knowledge of workers' rights as some of the most common vulnerabilities migrant workers continue to face during the recruitment process.

Access to accurate information before departure, the organization argues, remains one of the strongest protections available to prospective migrant workers.

A licensed Ethiopian recruitment agency interviewed for this investigation says today's recruitment procedures differ significantly from those of previous years. According to the agency, workers are registered through the national Labour Market Information System, matched only with approved foreign job orders, required to undergo medical examinations and pre-departure orientation, and provided with employment contracts translated into languages they understand. Workers also receive information about embassy contacts, grievance mechanisms and emergency procedures before departure.

Yet even licensed agencies acknowledge that legal recruitment cannot eliminate every risk.

They identify illegal brokers, weak enforcement in some destination countries, limited labour inspections and insufficient consular capacity as continuing challenges that undermine worker protection even after migrants have travelled legally.

That acknowledgement becomes particularly significant when viewed alongside the experiences of Ethiopian workers themselves.

"Aspiration beyond government paycheck" Civil Servant Voice - Unheard

By Mekonnen Solomon

On September 11, 2026, the federal civil service believes to enter into a period of deep reform implementation on major economy and social sectors of Ethiopia. While the government frames this as a vital federal sector reform, the reality on the ground is one of fear. With the government acting as the country's largest employer, the looming threat of layoffs is creating real distress for civil servants and their families who are already navigating an environment of financial hardship.

It is certain that over 2.5 million government employees are staring down the barrel of uncertainty, fearing that their means of livelihood may soon vanish. As the government pushes forward with ambitious plans to build a world-class efficient public sector, a widening gap has opened between official promises of progress and the heavy reality felt by those on the front lines. These professionals are not just worried about their pay checks; they are facing a future that feels increasingly fragile and beyond their control.

The government has spent too much time blaming the employee and too little time fixing the foundation. It is time to look past the surface at the systemic rigidities and misaligned external pressures that have hindered our progress. Real reform requires an honest assessment by contrasting our current struggles with historical examples of what happens when civil servants are properly supported, we can see that a functional, thriving public sector is not just a dream, it is an achievable reality.

The dominant narrative surrounding our civil service challenges tends to simplify complex issues by attributing them primarily to 'overstaffing' and 'individual inefficiency.' This framing serves as a convenient scapegoat, diverting attention from the deeper, systemic problems that plague our institutions. By focusing on these superficial explanations, the narrative creates a façade of legitimacy for proposed mass workforce reductions, suggesting that the solution lies in simply trimming the number of employees rather than addressing the underlying structural deficiencies.

Isolated instances of low productivity in the public sector are rarely indicative of individual failure; rather, they are symptomatic of a deeper, persistent institutional malaise. The current skills gap is a direct consequence of the past academic curricula that have failed to synchronize theoretical training with the technical rigors of modern governance, leaving dedicated professionals ill-equipped for the demands of their roles. Furthermore, any perceived overstaffing is not a failure of the workforce, but a reflection of the state's inability to foster a robust private sector capable of absorbing and mobilizing this human capital nor itis limitation to create favourable investment environment for professional youth

History offers a compelling alternative in the story of the Awash Valley. During the 1950s and 60s, the region's transformative development unfolded in perfect harmony with the emergence of the first generation of graduates from Alemaya (now Haramaya) University. These pioneers did not just fill government roles; they acted as the true architects of Ethiopia's modern commercial agricultural sector. Whether working as agronomists, farm managers, or agricultural economists, they thrived by moving directly from the lecture hall into the demanding reality of the Awash Basin. By translating scientific principles into large-scale industrial output, they built the very foundations that would eventually define our national export economy. This history serves as a powerful reminder: when professionals are supported, empowered, and aligned with practical needs, they do not just perform, they lead.

Over time, however, structural constraints became more pronounced. The quality of education given by colleges and universities faded. Education increasingly pushed youth toward government roles as a gateway to stable income, making self-employment and entrepreneurial spirit feel like distant dreams for many. Likewise, government institutional structures have remained stubbornly tied to outdated manual operations, rigid bureaucratic procedures, and static management styles that actively discourage innovation, adaptability, and responsiveness to changing circumstances. The chronic absence of consistent, high-impact, field-oriented training programs has left generations of civil servants without the essential tools needed to adapt to evolving modern practices and technologies.

The harsh remuneration realities must also feature prominently in any honest analysis. For too long, wage rates, rewards, and compensation packages have failed miserably to keep pace with the skyrocketing cost of living. Just a year ago, the maximum gross salary for many civil service employees stood at around 14,000 Birr per month, yielding a net take-home pay of approximately 9,400 Birr equivalent to roughly 78 dollars per month . In that economic climate, this amount barely covers not even essentials like food, household rent, and the education of children, leaving virtually nothing for savings, professional development, and investment. The level of this salary is 6 to 7 times less than the amount paid by the private sector for the same professional position. Such inadequate reward and compensation severely diminish motivation and restricts employees' capacity to focus fully on innovation, creativity, excellence, skill enhancement, and high-quality output.

Today, a widespread and deeply held perception exists among scholars that the aggressive push for reform is driven less by genuine domestic priorities and more by powerful external pressures emanating from international lending institutions. Many believe the underlying objective is the drastic reduction of government expenditure to meet stringent fiscal consolidation targets, achieved either through significant cut of the public sector workforce or other austerity measures. This perception creates high-stakes tension and erodes trust.

While government officials consistently maintain that the initiatives is of its own and goal is not downsizing but rather optimization of public service venture through elevated global standards of efficiency and professional excellence, a pervasive skepticism persists, with critics characterizing the agenda as a veiled mechanism for workforce reduction.

Critiques argue that one can easily examine the historical influence of external structural adjustment programs (SAPs) on Ethiopia's administra landscape, particularly their intersection with public sector reform and business process reengineering (BPR) initiatives. Following the transition from the Derg era in the early 1990s, Ethiopia adopted SAPs as a strategic mechanism to stabilize the macroeconomy, attract essential external financial assistance, and liberalize key industrial sectors. These frameworks characterized by currency devaluation, subsidy rationalization, trade liberalization, privatization, and fiscal consolidation often necessitated stringent control over public wage bills, leading to workforce optimization and broader austerity measures. Fortunately, a retrospective analysis reveals that many professionals impacted by these historical downsizing measures successfully leveraged their expertise to secure high-value positions within international organizations and prominent private agricultural firms. Others demonstrated entrepreneurial resilience by establishing consultancy service , effectively pivoting from public service to private sector leadership.

The most recent competency examinations, conducted across 4 key federal government institutions, have generated enormous frustration and disillusionment. With success rates of pass as low as only 5 to 10 percent among tested employees, the vast majority have been failed. Many argue these assessments are not fair and objective measures of true competence, but deliberate mechanisms engineered to facilitate a predetermined reduction in workforce. An employee who participated in the official competency test stated that , "When experts courageously express these legitimate concerns, they are frequently dismissed by officials and labelled as mere 'resistors to change' or defenders of the status quo." This type of categorization not only invalidates their important viewpoints but also fosters a significant divide between leadership and staff, exacerbating divisions and diminishing trust.While the current reform climate naturally generates apprehension among civil servants, this historical precedent suggests that workforce mobility can serve as a catalyst for professional growth. When viewed through the lens of human capital reallocation, these transitions often empower skilled individuals to move beyond the constraints of traditional bureaucracy, enabling them to pursue more dynamic and rewarding career trajectories

Yet many passionate professionals in the agriculture sector today are brimming with confidence and ambition. They envision a future where, if strategically organized—perhaps as dynamic shareholder companies with streamlined access to land and credit—they could not only replicate but even surpass the extraordinary accomplishments of the Alemaya generation in the 1960s. These dedicated individuals bring a treasure trove of practical expertise to the table, adeptly managing and operating farms that specialize in a vibrant array of flowers, field crops, luscious fruits, crisp vegetables, aromatic herbs, poultry, fattening, dairy production, and cutting-edge agro processing.

I recall a survey moment during Dr. Arkebe Oqubay's, the chief Economic Advisor of the late Prime minister of Ethiopia, doctoral research, when in his capacity leading the National Export Coordination Committee, he consulted the staff of the Horticulture Development Agency on how to best transform the horticultural export sector. Their response was unequivocal: they did not seek reliance on government payroll but rather access to credit and land for themselves. These professionals, possessing the technical know-how and deep industry experience, sought the opportunity to transition from civil servants into local private investors.This remains the path forward today: if the government truly aims to reform the civil service in coordination with the World Bank and IMF, it should facilitate the transition of these skilled public servants into the private sector, providing the land and capital necessary to unleash their potential as entrepreneurs.

In the end, I argue passionately that civil servants are far more than cost centers on a balance sheet. They are the backbone of public trust, the implementers of national policies, and vital partners in the country's quest for wealth and stability. Much evidence from successful global public sector transformations demonstrates that balancing efficiency gains with equity, investment in people, and contextual adaptation yields far superior long-term results.

The current economic landscape presents a profound paradox. While agricultural land and bank loan are frequently channelled toward the wealthy traders and unskilled diaspora , the country's own field-hardened experts and those eager to transition from public payroll sheets to private enterprise are systematically sidelined, often for reasons that remain opaque and unclear for number of decades. Even more disquieting is a fiscal framework that prioritizes foreign currency allocation for importers of alcohols, human hair and non-essential cosmetics product , while simultaneously depriving our most committed local professionals of the capital required to import and transfer technology , value-added agribusinesses.

Ultimately, it is incumbent upon the government and its reform partners to fundamentally rethink and redefine this agenda; for the sake of the nation's future, reform must transition from mere administrative contraction to the strategic empowerment of the architects of our own destiny

Mekonnen Solomon is an Agricultural Economist working in the Ministry of Agriculture, Ethiopia, and can be reached at ehdaplan@gmail.com.

The Expat Economy

Alazar Kebede

There is something that makes some of the worlds exciting cities tick. And it is not often talked about. This is the expat economy. The expat economy is like a system that runs on people moving from one place to another. These people are workers, professionals and business owners who live in a place but do not really belong there.
They are in a place where they're useful but they do not really fit in. From Dubai to Singapore from London to Toronto you can see the expat economy at work. It is a part of what makes the world more connected. It is not just about people moving to a new country. It is about creating an economy that depends on people who are only there for a little while. At the heart of the expat economy is a contradiction. The more important these expats become the less they are allowed to put down roots.
In cities like Dubai expats make up 90 percent of the people living there. They build the roads they work in the hospitals they run the companies and they keep the service economy going. Even though they do all these important things they are not really allowed to stay. Their visa is tied to their job they do not have political rights and they often cannot become citizens. This creates a workforce that's very good at what it does but it is also very temporary.
The expat economy is very good for the countries that use it. They can bring in workers with the skills they need. They do not have to pay for things like education and healthcare. This means the country can have a flexible workforce without having to spend a lot of money. This system is not very strong. It works well when times are good. It can fall apart when things get tough.
When there is a recession expats often lose their jobs. Leave the country. This can cause problems for the economy. We saw this happen during the crisis in 2008 and the COVID-19 pandemic. The expat economy is like a buffer that helps the country deal with risk. When things get tough the expats are the first to leave. This helps the country keep its employment numbers and social spending under control. There is another problem with the expat economy.
Expats often live in their little worlds. They do not always mix with the people and they might not even learn the local language. This can create a lot of social groups that do not really interact with each other. A British business owner in Dubai an engineer in Singapore and a Filipino nurse in London might all be part of the same economy but they live in different worlds.
The expat economy is also very divided. There are the expats who have a lot of power and freedom. They can move to any city they want. They can negotiate their contracts. Then there are the expats who have to work very hard just to get by. They might have to pay a lot of money to get a job. They might not have many rights.
In between these two groups there are a lot of expats who are just trying to make a living. They are not rich. They are not poor either. They are just trying to get by in a system that's not always fair. So can an economy that is based on people moving around ever be fair and sustainable?
Some people say that the expat economy is the way for cities to grow and compete. It allows them to bring in the talent they need. It helps them stay ahead of the game. Others say that this system is not fair. It can create a lot of inequality. It can make it hard for people to feel like they belong.
The expat economy is also connected to the rest of the world. Expats send money back to their home countries. They can help their home countries have more power and influence. This can also create problems. If there are changes in the home country it can affect the expats and the countries where they live. So what does the future hold for the expat economy?
Some countries are trying to change the way they do things. They are trying to get local people involved in the workforce and they are creating new visa programs to attract and keep talent. These changes are trying to balance flexibility with stability. The goal is to make the expat economy stronger and more fair.
It is not going to be easy. The expat economy is a part of the world we live in today. It is a system that is based on movement. It is also limited by borders. It creates opportunities. It does not always distribute them fairly. It helps cities grow. It can also make them fragile. The question is not whether the expat economy will continue. It will. The question is whether it can become more sustainable and more fair. Can it move from a system that is based on using people to a system that is based on including them? Can cities start to see expats as more than workers. Can they see them as people who belong?
The answers to these questions will shape the future of cities around the world and the lives of millions of people who call these cities home. Because in the end the expat economy is not about where people work. It is, about where they belong.

Talent grammar and the frame of judgment

By Gzachew Wolde

Certain vocal techniques, genres, and performance conventions can be blind, or even hostile, to talent that does not fit the experience of the individuals or panels sitting in judgment at art and music competitions.
In such situations, new approaches often come under pressure from an unspoken demand for conventional genre conformity. Contestants are pushed to set aside their creative style in favor of what evaluators expect, abandoning the version of the work that once lived only in their minds. This happens because performers are nudged to produce value that fits the existing system, where satisfying judges steeped in convention becomes a precondition for recognition. Whether the work is in Amharic, English, or any regional language, this is the challenge experimental work faces under a hidden industry standard that treats the conventional genre as the only saleable form. In the process, it can quietly drive talent away from the stage altogether.
To be sure, many genuine skills are not products of music academies. They emerge from other corners, formed by different cultures, environments, and lived realities. As a result, they often fail to align with the expectations of minds shaped by convention. Judges who position themselves as gatekeepers may, without intending to, stand against emerging talent.
Talent cannot always be measured on a single fixed axis of melody or merit. It may arrive as an unheard genre or an unimagined form. Rap was once outside the old line of accepted performance, and breakdance was never imagined before it appeared. Yet these outliers eventually forced recognition, proving that creativity often begins where inherited categories end. We have had to learn, slowly and sometimes unwillingly, to accept such forms as part of the expanding range of artistic expression.
This is not unique to art. Judges of every kind — legal, aesthetic, or professional — are trained to apply precedent as a means of evaluation. Yet interpretation always passes through a personal frame. What feels reasonable, what feels intuitive, and what feels strained are themselves shaped by convention. Anyone evaluating a manuscript, a candidate, or a canvas filters it through what they already know and value. That reliance is not a flaw in itself. The problem begins when a work reaches far beyond the evaluator's experience and the measuring line starts to bend, thin, or break under the weight of something truly unfamiliar.
Here lies the central tension: expertise is both a resource and a constraint. It can protect judgment, but it can also narrow vision. A frame built from precedent can rarely recognize variation until that variation begins to resemble something already familiar. Yet some creations will always appear as outliers, because an outlier is, by definition, something standing outside the frame. And what stands outside the frame is often the very thing that challenges the frame to grow.
Caricature is useful here. Its elongated necks, noses, and other exaggerated features are not failures of proportion but a deliberate form of distortion for communication. The audience understands this from the start. A quick message that would take a portrait too long to deliver can be conveyed through caricature. But caricature never competes with realist portraiture on the same terms. It establishes its own standard and must be judged by a different yardstick. A long nose drawn by a novice because they cannot manage proportion is not the same as a long nose drawn intentionally to convey arrogance or satire. The evaluator's task, therefore, shifts from measuring against a template to assessing the integrity and intent of the deviation.
This is why legitimacy in art is never fixed by tradition alone; it is negotiated, and often through influence. Who gets to sell, who gets the stage, and who decides what counts as correct all depend on context. A departure from the norm may first be read as deficiency and only later be recognized as a grammar of its own. Judges must therefore learn to read intent and execution, not precedent alone.
The central question is simple but demanding: is this departure the result of deep mastery repurposed, or is it a lack of skill hiding behind the shield of experimentation? The former deserves the stage; the latter needs a classroom. If the outlier is allowed to explain its grammar before judgment is passed, then the judge is given a bridge. No one can be blamed for failing to read a language they did not know existed, but they can be blamed for refusing to read the dictionary the artist places in their hands.
The deeper tension, then, is not only aesthetic but philosophical. Some works will never appear technically correct by classical standards, yet they may still be coherent, intentional, and deeply skilled within their own logic. What is needed is a framework that keeps evaluation meaningful without slamming the door on the unfamiliar. That requires deliberate openness to what falls outside precedent, held in balance with the standards that still matter.
The burden on the artist is often severe. The person who brings a new genre must not only master the craft but also spend enormous energy defending, explaining, translating, and promoting the vision. That becomes an exhausting and unfair tax on creativity. In effect, the artist is asked not only to create but also to persuade the world to develop the vocabulary needed to understand the creation.
This call for openness is not a call for judges to abandon expertise. Rather, it is a call for expertise to recognize that outliers may require different treatment at the start of the conversation. The task is not to excuse weakness, but to search for the coherent force at work instead of treating judgment as a terminal checkpoint. The phrase "let the outlier explain its grammar" is not a plea for leniency. It is an appeal for intellectual humility and a willingness to see beyond inherited patterns.
The willingness to pause and look for the mechanism beneath an unfamiliar work before delivering a verdict is the only practical safeguard against an industry standard that crushes the new before it can speak. Judges must learn to separate mastery repurposed from incompetence disguised as innovation, so that outliers are not punished merely for standing outside the inherited frame.
In that sense, talent grammar and the frame of judgment should work together. The judge's task is to seek the coherent mechanism beneath the unfamiliar case and decode the unique syntax of the outlier's ability. When the frame of judgment listens to the grammar of talent, it stops functioning as a wall and becomes a dialogue. That is how true originality is recognized instead of being flattened by conventional metrics.
For better or worse, the judge seeking a coherent mechanism beneath an unfamiliar case must learn to decode the unique syntax of an outlier's abilities in ways that go beyond inherited standards of excellence. If judgment is the scaffold, then talent grammar is the living architecture it supports. They work well together only when the former acts not as a rigid mold, but as an attentive ear to the latter's new syntax.
By harmonizing the structural frame with the fluid grammar, we ensure that mastery repurposed is celebrated and that the outlier's dialect is translated rather than silenced. The frame of judgment, drawn from inherited rubrics, industry standards, and conventional metrics of excellence, provides the necessary scaffolding for evaluation. But it may not be the only scaffold available. A good scaffold does not dictate the shape of the building; it adapts to the building's contours. In the same way, reading between the lines of talent grammar — the living, evolving dictionary of capability — brings meaning to the structure without reducing it to formula.
The conventional and the outlier work together not when grammar is forcibly compressed into the frame, but when the frame expands enough to interpret grammar's nuanced syntax, subtle message, and hidden implication beyond the literal dictionary meaning. The frame of judgment, when aligned with the rhythm of talent grammar, ceases to be a cage and becomes a compass, pointing toward the new without losing sight of the true north of coherent excellence.
In most cases, inherited standards resist outliers because they are optimized for efficiency and comparability, not novelty. They are like dictionaries, while new talent sometimes speaks in a poetic dialect. If judgment listens with a sharp ear, it can provide structural integrity without sacrificing uniqueness merely for the sake of convention. This is the missing link between boundless relativism and rigid classicism: shifting evaluation from measuring proximity to a fixed template to measuring the integrity and intentionality of the deviation.
For me, judges must ask not, "Does this fit the available scale or bar height?" but rather, "Does this deviation serve a coherent internal purpose? Does it bring new light, or add a new form to an existing genre in a way that suits the purpose of the art?" In this way, the industry standard is not abandoned; it is enriched. It evolves precisely because the new architecture has forced the scaffold to stretch and make room.

Capital features a variety of independent voices; the opinions articulated in this column are the author's own and operate independently of our corporate viewpoint.

United Nations
Economic Commission for Africa

REQUEST FOR EXPRESSION OF INTEREST (EOI)

Title of the EOI: **Procurement of Spare Parts to Reinstate the Electrical Systems of Africa Hall Building - LTA for the United Nations Economic Commission for Africa (UNECA) Addis Ababa, Ethiopia**	
Date of this EOI: 6 July 2026	**Closing Date for Receipt of EOI: 14 August 2026**
RFI Number: EOIUNECA24536	**E-mail Address: gebreegziabhers@un.org;**
Address EOI response by fax or e-mail to the Attention of: Solomon Gebreegziabher	
Fax Number:	
UNSPSC Code:39000000 - Electrical Systems and Lighting and Components and Accessories and Supplies 39110000 - Lighting Fixtures and Accessorie	

DESCRIPTION OF REQUIREMENTS

The United Nations Economic Commission for Africa (UNECA) seeks interested and qualified vendors to supply Spare Parts to reinstate the Electrical Systems of Africa Hall Building. The Commission seeks to enter three (3) years LTA Contract with the successful supplier.
Interested firms will be invited to the tender in "Invitation to Bid" (ITB) at a later stage. This tender envisages selection of a single or more firm/s to supply Spare Parts for Electrical Systems.
A detailed SPECIFICATIONS will be included in the upcoming solicitation documents issued after this EOI closes.
Please note that the UNECA is precluded from entering into a contract with a firm that is not fully registered with UNGM. Firms interested in responding to this invitation but not currently fully registered as vendors with UNGM are encouraged to register before submission of the bid. Further details may be obtained by visiting https://www.ungm.org/Vendor/Registration.
Please use the link for the details and descriptions below.
Firms should submit their "expression of interest" electronically through the link before the deadline of 14 August 2026.
https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/pdf/eoi24536.pdf
PLEASE NOTE: You should express your interest in this EOI electronically at: https://www.ungm.org/Public/Notice/306489
In case you have difficulties submitting your interest electronically, please contact gebreegziabhers@un.orgdirectly for instructions.

United Nations
Economic Commission for Africa

REQUEST FOR EXPRESSION OF INTEREST (EOI)

Title of the EOI: **Provision of Interior office Space Fit out / Renovation for User Service Unit (USU) in the Digital Information Technology Management Section (DITMS)**	
Date of this EOI: 15 July 2026	**Closing Date for Receipt of EOI: 31 July 2026**
EOI Number: EOIUNECA24553	**E-mail Address: gebreegziabhers@un.org;**
Address EOI response by fax or e-mail to the Attention of: Solomon Gebreegziabher	
Fax Number:	
UNSPSC Code: 72000000 - Building and Facility Construction and Maintenance Services 72153600 - Interior finishing and furnishing and remodeling services	

DESCRIPTION OF REQUIREMENTS

The United Nations Economic Commission for Africa (UNECA) seeks interested and qualified vendors to design, demolition, supply, installation, and finishing works, including electrical and data line modifications and interior upgrades, to deliver a fully functional office space in accordance with the approved design and UNECA standards.
The general objective of this project is to transform the existing office space into a modern, functional, and visually accessible client service environment that enhances workflow efficiency, improves user experience, and reflects a professional and transparent service delivery setting, addressing the general need for both aesthetic enhancement and functional improvement to meet modern workplace standards.
Scope of Services:
The scope includes partitions, floor finishes, ceiling finishes, light fixtures, power and data lines and points' reconfiguration and window blinds, all of which require upgrading or reworking.
The Commission seeks to enter a 03 (three) months contract with the successful Contractor.
A detailed SCOPE OF WORK (SOW) will be included in the upcoming solicitation documents issued after this EOI closes.
Please note that the UNECA is precluded from entering into a contract with a firm that is not fully registered with UNGM. Firms interested in responding to this invitation but not currently fully registered as vendors with UNGM are encouraged to register before submission of the bid. Further details may be obtained by visiting **https://www.ungm.org/Vendor/Registration.**
There is no need to submitt any document at this point. To see the details of published REOI, kindly use the link below.
https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/pdf/eoi22522.pdf
PLEASE NOTE: Electronic expression of interests submitted by suppliers in response to this REOI would be available in this link: https://www.ungm.org/Public/Notice/307298
In case you have difficulties submitting your interest electronically, please contact gebreegziabhers@un.org directly for instructions.

INVITATION FOR BID

INTERNATIONAL RESCUE COMMITTEE

The IRC-Ethiopia Program has been working in Ethiopia since 1999 and is implementing integrated, community-managed programs aimed at improving the quality of life and recovery of livelihoods for disaster-affected populations through promoting individual participation, strengthening institutions, and enhancing emergency response.

IRC Ethiopia Program has been operating in Gambella, Benishangul Gumuz, Tigray, SNNPR, Sidama, Somali, and Oromia regions on refugee assistance and livelihood since its inception.

IRC invites the sealed bids from all eligible and qualified bidders, technically competent, and having valid licenses for the current Ethiopian FY 2018 EC/2026 GC to supply the product below:

LOCAL CONSTRUCTION MATERIALS (Basaltic Stone, Sand, River Gravel and Coarse aggregate (02).

The Complete set of bidding documents in English for the items above can be obtained from the IRC Aleta Wondo office located at:

International Rescue Committee, Aleta Wondo Office
Supply Chain department
Located Mesalemiye Kebele Infront of Hawariyat Church
Tel.: 046 224 1516
Fax: 046 224 15 19
Aleata Wondo Office

during working hours from **July 27, 2026 – August 10, 2026,** at the address mentioned above. The prospective bidder shall present his/her company's name and sign to acknowledge receipt of the bid documents.

Late bids cannot be accepted. Tender will be closed on August 11, 2026, at 10:00 AM and will be opened in the presence of interested bidders or their representative on August 11, 2026, at 10:30 AM.

The prospective vendor shall present with their company name and sign to acknowledge receipt of the bid documents.

IRC shall not be bound to accept the lowest-priced bid or any bid submitted, and any form of canvassing will lead to automatic disqualification.

IRC Ethiopia country Program reserves, at its sole discretion, the right to select or reject either totally or partially any or all proposals made in the context of the request for proposal.

Lammif Initiative for Inclusive and Informed Life(L3IL)

Purchase of 1 Electric vehicle

The Specification of the car to be purchased is:

GAC Aion i60 — 530 km Pure-Electric Variant (2025 model / 2026 production)

- Body type: 5-door compact crossover SUV, 5 seats
- Length × Width × Height: 4,685 × 1,854 × 1,660 mm
- Wheelbase: 2,775 mm
- Curb weight: approx. 1,800–1,910 kg
- Powertrain: Battery electric (BEV), front-motor, front-wheel drive
- Motor: Permanent-magnet synchronous, 150 kW
- Battery: 62.268 kWh, CATL LFP (lithium iron phosphate)
- Range: 530 akm (CLTC)
- Acceleration: 0–100 km/h approx. 7.9 s
- Fast charging (DC): 30%–80% in approx. 15 min (3C)
- AC charging: 0–100% in approx. 7.5 h
- Platform: AEP 3.0
- Suspension: Front MacPherson / rear multi-link independent
- ADAS: GAC GSD system, high-speed NDA navigation assist, HPA automated parking
- Exterior colour: Silver
- Interior colour: Black
- Condition: Brand-new, unregistered

Adress: Oromia Region Arsi Zone, Asella Town, Athlete Kenenisa Bekele Polytechnic College, Office number: 321
P.O BOX 331 Asella Posta Wekil.

U.S. enactment of the GENIUS Act: Impact on Africa

By Stephen Z. Chundama

The rapid growth of blockchain technologies has accelerated the use of digital assets, including cryptocurrencies and stablecoins, offering new ways to store and transfer value through peer-to-peer and cross-border transactions, among other.

While stablecoins can advance financial inclusion in Africa, the emergence of a new asset class and medium of exchange has elevated emerging financial threats such as digital based fraud and scams by fraudsters that are increasingly leveraging generative AI to scale attacks and create highly personalized scams.

At a macroeconomic level, the growth of stablecoins imposes unprecedented fiscal and monetary risks on developing countries, many of which are currently the subjects of intense discussion within African central banks and government ministries responsible for finance, such as: a) deposit substitution and liquidity drain when capital is shifted from local money and capital markets to stablecoins; b) weakened credibility of monetary policy when central bank open market operations are rendered impotent by the circulation of unknown quantities of foreign denominated stablecoins, since these transactions operate on decentralized blockchain networks that bypass traditional banking intermediaries, thus creating a "parallel shadow money supply" which causes a catastrophic loss of monetary sovereignty; c) constriction of fiscal policy options due to erosion of the tax base, since peer-to-peer (P2P) stablecoin transactions are largely hidden; d) depletion of foreign exchange reserves when African businesses increasingly use stablecoins for cross-border trade and repatriation of earnings; e) elevated Inflationary pressures when the exchange rate and velocity of the local currency change unpredictably.

In response to broader macroeconomic challenges and concerns around stablecoin growth, the United States enacted the "Guiding and Establishing National Innovation for U.S. Stablecoins Act" (GENIUS Act) in July 2025. Scheduled to enter into force on January 18, 2027, the Act establishes federal oversight and requires stablecoin issuers to back their stablecoin one-to-one with liquid assets such as U.S. dollars or short-term Treasury securities.

Exposure of African countries to global cryptocurrency markets

Sub-Saharan African countries have tremendous, concentrated exposure to U.S. dollar-denominated stablecoins and other crypto-assets, with the continent processing over US$ 205 billion in on-chain value between 2024 and 2025 - elevating Africa to third fastest growing market for cryptocurrencies. The continent's popularity with cryptocurrencies is driven by widespread exchange rate volatility, forex controls, high inflation, a large unbanked population, and speculative motivations – thus, accelerating stablecoin's widespread adoption as an ideal store of value that hedges against economic volatility.

While data is scanty due to the highly unregulated nature of global crypto markets, it is no surprise that Nigeria tops the list of African countries with the greatest adoption, due to its relatively high GDP, population, and exchange rate controls that motivate its citizens to actively use Bitcoin and stablecoins to bypass tight foreign currency controls and high inflation. Notably, more developed financial markets, such as South Africa, have significant speculative motivations, with retail investors using crypto markets to reap cheap returns from asset appreciation.

Should Africa care about the U.S. GENIUS Act?

It is encouraging that the largest economies on the continent have been proactive by enacting regulations that respond to the rapid growth of Africa's cryptocurrency exposure. Thus, governments are shifting from blanket bans to active regulation. While a few countries, such as Algeria and Egypt, continue to restrict or outright ban digital assets, other countries including Kenya, South Africa, and Nigeria are establishing licensing, stablecoin oversight, cybersecurity and regulatory sandboxes, similar to the GENIUS Act. This structural and regulatory shift allows digital currencies to operate as legitimate components of their financial architectures by formally integrating digital assets into domestic financial systems.

This policy shift is partially motivated by the need to institutionalize safe and cheaper channels for remittances and business transactions since cross-border transactions are extremely expensive, with average remittance fees lingering around 6.5%.

Significantly, since 99% of stablecoins in circulation are U.S. dollar denominated, the GENIUS Act accelerates a shift away from local currencies towards the "digital dollar," at a time when U.S. macroeconomic volatility is high (e.g. global U.S. dollar reserves are under 58% from 70% in 2000; high sovereign debt of US$ 39.3 trillion from US$ 3.32 in 2001). When the Act enters into force, it's expected that the growth of stablecoin markets will accelerate – thus propagating the widespread dollarization of African economies.

Furthermore, since the GENIUS Act mandates that both local and foreign stablecoin issuers must comply with U.S. asset-freezing orders and avoid sanctioned jurisdictions from interacting with U.S. centralized trading platforms, the Act strengthens the power of U.S. financial and trade sanctions, which have historically devastated African countries such as Sudan, Zimbabwe, and Eritrea.

Parting words

Africa should immediately respond to the U.S. enactment of the GENIUS Act by formulating precautionary regulatory measures on digital assets including firm controls on the amount of foreign denominated digital assets that are allowed to circulate in their economies, as well as mandatory information provision by stablecoin issuers to aid monetary authorities in managing risks emanating from instruments that are beyond their direct jurisdiction, among others.

To avoid monetary policy under/overshooting and other adverse effects of stablecoin control, African countries must deploy their local talent towards the development of predictive economic models that integrate the dynamics of digital assets. On the fiscal side, regulators must modernize tax compliance frameworks and measures against illicit financial flows to realistically reflect the risks associated with proliferation of digital assets within their economies.

Before the Act enters into force, Africa urgently needs a regional common position and governing policy to prevent sophisticated crypto issuers from leveraging on arbitrage opportunities that may arise from fragmented unilateral action – as Africa accelerates the regional adoption of its homegrown stablecoins that must be integrated into cross-border and regional payment systems such as the PAPSS.

The continued emergence and proliferation of modern financial risks should provide the impetus for the urgent establishment the African Central Bank.

Capital features a variety of independent voices; the opinions articulated in this column are the author's own and operate independently of our corporate viewpoint.

Capital SPORT

Africa prepares for historic Olympic moment at Dakar 2026

When the Youth Olympics begin in Senegal in 100 days' time, it will mark a first on African soil.
For all the global icons and champions the continent has provided across events such as athletics, football and boxing, it has never hosted an Olympic competition.
Dakar 2026, which gets under way on 31 October, is set to change that.
"It is monumental," International Olympic Committee (IOC) official Christophe Dubi told BBC Sport Africa.
"Africa has hosted many international competitions, but this is the first time we have anything labelled with the Olympic rings.
"The entire continent will be celebrating with Dakar hosting."
Dakar was chosen as host city in October 2018 and the Games, initially planned for 2022, were postponed until this year because of the Covid-19 pandemic, allowing more time for planning.
It will be held at venues across the Senegalese capital, as well as in the towns of Diamniadio and Saly.
Thierno Cisse, deputy chief operating officer of the Local Organising Committee (LOC) for the Games, says preparations are firmly on track - and that the entire country is aware of the responsibility which comes with being Africa's first Olympic host.
"We know we are going to be ambassadors for Africa during this period," he told the BBC.
"It's really important for us as a country to proudly represents the whole continent and show that Africa has high standards."
Demographically relevant
Africa is the world's youngest continent, with 70% of people living in sub-Saharan regions under 30 according to the United Nations.
"The symbolism of having Africa hosting the sports community is very strong," Dubi said.
"This is a very important first step."
However, local residents hope Dakar 2026 will bring critical issues facing young people in the country to the fore.
A recent report by Senegal's statistics and demographics agency put the rate of unemployment among those aged 15-34 at over 27%, owing largely to a lack of stable opportunities in the domestic job market.
There has also been a crisis of irregular migration in recent years, with many young people risking their lives to seek better prospects abroad.
"We are in a country where the rate of joblessness is very high," Dakar resident Issa Diao told BBC Sport Africa.
"So when we have this kind of event here, it will help people to get jobs."
A focus on legacy
In a bid to draw global attention to the Games, organisers have appointed high-profile figures including Senegal football captain Kalidou Koulibaly, influencer Khaby Lame and French actor Omar Sy as ambassadors.
The IOC has also named 36 athlete role models to provide mentorship to young athletes at the Games.
Preparations have included engagement programmes, and participation at community level will be promoted.
A scheme to train more than 400 young Africans in areas such as event operations, logistics, technology, accreditation and venue management was also launched by the IOC last year.
"In our recruitment strategy, we decided to open the gates to the whole continent," Cisse said.
"We have more than 30 countries represented from all around the world, but mainly from Africa as youth volunteers."
One of the distinctive elements of

Dakar 2026 will be the debut of a youth refugee team, something which was first introduced in Rio de Janeiro in 2016.
The IOC, working with the Olympic Refuge Foundation and international federations, has identified young refugee athletes through trials and development programmes in East Africa, and those selected for the Games will also receive education and wellbeing support.
"It sends a very clear message," Dubi said. "Even for people who have lived through extremely difficult circumstances, there is still hope. There is a place where you are welcomed."
Building for the future
The Youth Olympics are smaller in scale compared to its senior counterpart, but will still feature around 2,700 athletes competing in 25 sports.
Ten non-competitive engagement sports, aimed at encouraging participation among local youngsters, will also be staged.
Rather than building venues with limited post-Games use, organisers have focused on restoring and preserving existing sites.
"Two magnificent locations have been rescued from the centre of Dakar," Dubi said.
"They could easily have been sold for housing, but instead they've been saved for sport. This is about thinking beyond the Games."
However, hosting an event of this scale also raises difficult questions around cost.
Senegal reportedly spent around $270m to build the Abdoulaye Wade Stadium in Diamniadio, which will host the opening ceremony, and, according to the country's sports ministry, could spend an estimated $60m to organise the Games.
These figures could not be confirmed by the LOC and the IOC when the BBC reached out to them.
Both parties say the success of Dakar 2026 will not only be judged by what happens during the two weeks of competition, but by what remains long after the Olympic flame is extinguished.
"The Games are opening a whole range of new sports that are not famous here," said Cisse.
"Maybe we'll be able to say in 20 years from now that some champions were discovered."
'A continental celebration'
While organisers are eager to frame Dakar 2026 as a continental moment rather than a purely national one, the presence of African leadership at the highest level of the IOC also reinforces the sense that it has the potential to shift how the continent is viewed globally.
Last year, Kirsty Coventry became the first female - and African - president of the IOC, and the Zimbabwean's tenure will include overseeing the landmark event.
"We are very proud that an African woman is representing the continent on the biggest stage," said Cisse.
"It's also a special link for us because she was the president of the coordination commission for the Dakar Games before being elected president.
"I know she has a special bond with the Games and holds it in very high esteem."
The IOC envisions Dakar 2026 to become not just a sporting event, describing it as a cultural and social movement to celebrate youth, talent and Africa's growing influence on the global stage.
"It's going to have an effect that is wider than Senegal and Dakar," Dubi vowed.
"It's not only about sport. People will be amazed by what they will see. It's the energy."
As the countdown continues, many Africans will hope that Dakar 2026 will boost the continent's place within the Olympic movement, while also offering opportunities for its young people, administrators and athletes.

All you need to know about Wafcon 2026

The delayed 2026 Women's Africa Cup of Nations - also known as Wafcon - is finally ready for kick-off, with Morocco staging a third successive finals.
Originally scheduled to be held from 17 March to 3 April, the Confederation of African Football (Caf) postponed the tournament just 12 days before it was due to start.
This year's Wafcon, which comes only 12 months after the delayed 2024 edition, now begins on Sunday, 26 July when Algeria face Senegal in the opening game in Rabat (17:00 GMT).
Caf cited "unforeseen circumstances" for the delay, but the late change has afforded more time for the newly expanded 16-team tournament, which will feature 34 matches and culminates in the final on Sunday, 16 August.
This year's Wafcon is all the more important because it doubles up as a qualifier for the 2027 Fifa Women's World Cup, with all four semi-finalists securing a ticket for Brazil.
The four losing quarter-finalists will play off for two spots at an intercontinental qualifier.
So what are the key fixtures? What is the format? Where are matches being played and when do they kick off?
BBC Sport Africa provides you with all the key information about the 14th edition of Africa's biggest women's football event.
What are the groups?
The 16 teams have been split into four groups of four.
Hosts Morocco have a North African derby against rivals Algeria in Group A as well as games against Senegal and Kenya, who return 10 years after making their only previous appearance.
Holders Nigeria, who are bidding for a record-extending 11th title after beating Morocco in last year's final, were placed in Group C alongside Zambia, the highest-ranked side in pot two in the draw, Egypt and debutants Malawi.
South Africa, winners in 2022, take on Ivory Coast, Burkina Faso and Tanzania in Group B.
In Group D, Ghana were paired with Cameroon and Mali - two sides who advanced to the finals on the strength of their world ranking - and the other first-timers taking part, Cape Verde.
The top two teams in each group go into the quarter-finals.
Group A: Morocco (hosts), Algeria, Senegal, Kenya.
Group B: South Africa, Ivory Coast, Burkina Faso, Tanzania.
Group C: Nigeria (holders), Zambia, Egypt, Malawi.
Group D: Ghana, Cameroon, Mali, Cape Verde.
Wafcon 2026 schedule and kick-off times
The kick-off times will be at 17:00 GMT (18:00 BST) and 20:00 GMT (21:00 BST) throughout the tournament - with the exception of the final.
Quarter-finals will take place on 8 and 9 August, with both semi-finals following on 12 August.
The final will be on Sunday, 16 August at 19:00 GMT (20:00 BST).
Wafcon 2026 venues: Where is it being played?
Morocco used six stadiums spread across five cities to stage the tournament last year, but this time around five grounds in two cities are being used.
Games will be played in the capital Rabat and Casablanca, with Berkane, Mohammedia and Oujda discarded as venues.
Fes was originally due to host Group D, but the matches scheduled to be held at the Complexe Sportif de Fes have been shifted to Casablanca instead.
The three stadiums being used in Rabat also staged matches at the 2025 Africa Cup of Nations (Afcon), with the North African nation carrying out several redevelopment projects as it prepares to co-host the 2030 Fifa World Cup.
The Atlas Lionesses will play their games at the Moulay Hassan Stadium, which will also stage a quarter-final and a semi-final.
The venue for the final is yet to be confirmed. It will either be the Moulay Hassan Stadium or the much larger Prince Moulay Abdellah Stadium in Rabat, which hosted the Afcon final, with the latter likely to be chosen if Morocco progress to the final.
The five confirmed venues are:

- Moulay Hassan Stadium, Rabat
- Olympic Stadium, Rabat
- Al Medina Stadium, Rabat
- Larbi Zaouli Stadium, Casablanca
- Moulay Rachid Stadium, Casablanca

What is the prize money?
Caf has announced it has doubled the prize money which will be handed to the winners of this year's edition of the tournament.
Nigeria picked up $1m for lifting the trophy last year, while the 2026 champions will receive $2m.
The runners-up will pick up $750,000 - an increase of 50% - while the overall prize pot has increased from $3.475m to $5.8m.
All 16 teams will receive $150,000 for participating, an increase of $25,000 from the 2024 finals.
Who are the favourites?
Of the 16 nations taking part, only Nigeria and South Africa have previously lifted the Wafcon trophy.
Nigeria's Super Falcons return to North Africa as both holders and the continent's top-ranked side, with a rich pedigree under homegrown coach Justin Madugu.
Chiamaka Nnadozie has been named Africa's best goalkeeper for the past three years while captain Rasheedat Ajibade was named most valuable player at the finals last July.
Morocco has invested heavily in footballing infrastructure in recent years but its women's side are yet to emulate the success of the country's men in becoming the top team in Africa.
The Atlas Lionesses have been runners-up at the past two editions and have a Women's World Cup winner in the dugout in Jorge Vilda, who guided Spain to the title in 2023.
South Africa, ranked second on the continent, still have the experienced Desiree Ellis in the dugout while Ghana, under Kim Bjorkegren, return fresh from their third-placed finish last July.
Zambia round out the likely contenders, although the Copper Queens were demolished 5-0 by Nigeria in last year's quarter-finals. They will look to skipper Barbra Banda, the 2024 BBC Women's Footballer of the Year, for inspiration.
It will be a big ask for any of the other sides to mount a serious challenge.


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