



# ADDIS BUSINESS

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## Business Communities discusses on the challenges and opportunities of contract farming



By Ashenafi Mitiku

Addis Chamber via its project intervention that promotes on agri business has been working to promote agriculture in Ethiopia.

In a recent panel discussion hosted by Addis Chamber, stakeholders drawn from business communities and concerned organizations made comprehensive discussion on the challenges and opportunities of contract farming in Ethiopia. During the discussion a research paper was presented to discuss on contract farming, challenges and opportunities.

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## Ensuring Quality of TVET is Fundamental to cut unemployment Rate in Ethiopia

By Ashenafi Mitiku

Pursuant to the launching of TVET back in 2002, countless of citizens in Ethiopia could make use of employment opportunities in different economic sectors. Such education programs are also key to transform the investment landscapes of Ethiopia in one way or the other.

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## Preparation is underway to host the 14th Addis Chamber International Agriculture and Food Expo



By Staff Reporter

Hosting grand trade shows are among the key activities of Addis Chamber that intends to promote trade and investment in Ethiopia. Such events are taking place for long years connecting businesses and forging networks among local and international businesses. The upcoming trade shows/expo is one of the major expos to be held in December 2023. Dubbed as Maximizing Value Additions through Agro business, the 14th Addis Chamber International Agriculture and Food Expo, is one of the highly awaited trade shows to be held in the coming December 2023.

Preparation is also underway to host this grand event that will be expected to attract numerous exhibitors and actors. Such grand events are expected to bring together agro processors, farmers, agricultural technologists and potential buyers in single venue so that Addis Chamber has called on the business communities not to miss the event that will be held from December 7-9, 2023 at Millennium Hall.



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# Editorial

## **Walking the talk towards Public Private Partnership!**

The term 'Public-Private Partnership (PPP)' refers to a wide scope of ideas that can be specifically interpreted in different ways. With a major concern to the provision of various public services, there are different definitions of the concept of public-private partnership.

The overall idea of the definitions is that PPPs are partnerships between the public and the private sector for the purposes of designing, planning, financing, maintaining, training, constructing and/or operating projects which would be regarded traditionally as falling within the remit of the public sector.

A current definition of PPP has three dynamics in general: first, there is a long-term contractual arrangement between the public and private sector to deliver an infrastructure facility where mutual benefit is sought; second, the private sector is involved in some combination of facility design, construction, financing, operations, and maintenance, third, each partner shares in the potential risks and rewards associated with the delivery of the project.

Anyone who uses the term PPP should not be confused with privatization as PPPs are different from privatization. Under PPPs, accountability for delivery of the public service is retained by the public sector whereas under a privatization, accountability moves across to the private sector (the public sector might retain some regulatory price control). However recently PPP in Ethiopia at the national and city levels is not that much developed rather it is safe to say at an infant stage.

If PPP is properly managed, it can be very useful to meet the country's development needs. The basic reasons for involving the private sector in PPP projects are the issue of resource and efficiency.

The ownership can be on the hands of the government. The management and an activity could be done by the private sector or association and then both are ultimately share the profit together. The government has in fact various development agendas and commitment. So, this kind of approach has got a fruit in many parts of the world. With no doubt, the gap between public service delivery and public service demand in Ethiopia highlights the urgent need for PPP arrangements especially in sectors such as transport, housing, waste management, power distributions and other infrastructures in improving the quality of those facilities and services.

This urgent need is especially more aggravated in Addis Ababa as the need of trade and investment promotion, transport and other socio economic services for instance much higher in the city. Besides, the extra costs associated with delays, unreliability, and additional processes, divert economic resources away from productive sectors contributed for the urgent need of PPP modalities. This is to say that, the private sector could play an important role in improving efficiency through some form of PPP modeling than the traditional approach of delivering services.

Most of the business communities in Addis Ababa are running their businesses privately or in share with other private entities. Thus, there are no such flourished PPP projects in the city. The private sector didn't have such experience. Due to this reasons, some business operators and investors are not inclined to make business with the government. However, good numbers of business operators are now demanding to make business with some sectors of the public organizations. If conducting an awareness program about the benefits of PPP is enhanced, the demand will be definitely higher and higher.

Private sector efforts to reach this untapped and potentially vast market have now gained momentum. However, certain sectors like transport, social infrastructural services like housing, health and education, have lagged far behind.

In fact it is bear in mind that the private sector is motivated by profit. Here, the role of government policies and regulations to supply infrastructure is also crucial. Transparent and targeted subsidies that are non-distorting could be applied to ensure that the majority populations are serviced. Even more compelling in countries like Ethiopia is the need for private sector endeavors to achieve sustainable development; where possible, governments should provide carefully regulated incentives for engaging businesses in long-term, sound economic projects.

## Executives of Addis Chamber calls for staff for more productivity

By Ashenafi Mitiku

Established seven decades ago, Addis Chamber has remained to be the voice of the private sector and one of the pioneer business membership organizations in Africa.

In a recently held annual staff day,

Board of Directors and Executives of Addis Chamber acknowledges staffs for their performance exhibited during the concluded budget year /2015 EC. Acknowledging staff plays essential role to inculcate viable working culture, said Shibeshi Bettemarim, Secretary General of Addis Chamber, while delivering his remark during the day. Such annual gatherings

are also remarkable to commend and acknowledge the achievements of employees who have witnessed outstanding achievements as a team and personally.

Such recognition, he adds, will undoubtedly boost the moral and initiatives of employees that helps to meet the strategic objectives of organizations.

Mesenbet Shenukte, President of Addis Chamber, in her remark applauded the achievement of executives and the staff in championing the voice of business communities. She also remarks that acknowledging staff day has a lot of benefit to become productive and sustainable.

## Business Communities discusses on the challenges...

Continued from 1st page

While presenting his paper, Beyene Tadesse ( PhD) senior agricultural economist spoke to audience that contract farming in Ethiopia has long been practiced among societies in an informal manner particularly among farming communities of Ethiopia. The researcher also said that contract farming is widely known across the world benefitting major actors along the agricultural value chain.

Yet the practice of contract farming in Ethiopia is not known as expected for various reasons, said the researcher. However in recent years the idea and practice of contract farming has been evolving taking part diverse stakeholders from

agricultural sector such as in sugar industries, barley and vegetable and fruit growers.

Under this contract arrangement farmers and investors have become connected to produce major agricultural products such as wheat and barley. However there are countless challenges facing contract farming.

It is also suggested that legal framework has to be installed to address the diverse challenges of contract farming. Besides to this it is outlined that the government to provide due attention to contract farming for its proper functioning.

The panel also discussed the importance of market friendly contract farming to ease the flow

of agricultural goods along market value chain. During the panel, Sultan Mohammed from ministry of agriculture made wider discussion on the current status of contract farming in Ethiopia. In his briefing, Mohammed said that contract farming is one of the best options to find out solutions for agricultural development in Ethiopia. Such arrangements are useful to address post-harvest losses, enhance quality of agricultural products among others, underlines the speaker.

In the concluded budget year of Ethiopia more than 770,000 hectares of land is contracted under such arrangements whereby more than 16,000 quintals of crops is produced, said the panelist.

## Mr. Claver Gatete of Rwanda - Executive Secretary of the United Nations Economic Commission for Africa (ECA)



New York, 06 October 2023 - United Nations Secretary-General António Guterres announced Friday, the appointment of Claver Gatete of Rwanda as the next Executive Secretary of the United Nations Economic Commission for Africa (ECA).

The Secretary-General wishes to extend his appreciation and gratitude to the former Executive Secretary, Vera Songwe of Cameroon, as well as to the Deputy Executive Secretary,

Programme Support, Antonio M. A. Pedro of Mozambique, who will continue to serve as Acting Executive Secretary until Mr. Gatete assumes his functions.

Mr. Gatete is currently Ambassador and Permanent Representative of the Republic of Rwanda to the United Nations in New York. A seasoned economist, he brings to the position extensive strategic leadership expertise, coupled with international experience in the political and financial landscape of the African continent. Mr. Gatete has served in senior government positions, notably as Minister of Infrastructure (2018-2022) and Minister of Finance and Economic Planning (2013-2018).

He has also served as Governor (2011-2013) and Deputy Governor (2009-2011) of the National Bank

of Rwanda, Rwanda's Central Bank, and Secretary General and Secretary to the Treasury at the Ministry of Finance and Economic Planning in Rwanda (2003-2005). He was Director General for Economic and Social Affairs in the Office of the President of Rwanda (2000-2003), during which time, he served as the President's Representative to the New Partnership for Africa's Development and Coordinator of the National African Peer Review Mechanism.

Mr. Gatete began his diplomatic career in 2005 and was based in London until 2009 as Rwanda's Ambassador to the United Kingdom, Ireland and Iceland. Prior to this, he served as National Economist of the United Nations Development Programme in Kigali (1998-2000) and Economist of Agriculture and

Agri-Food and of Statistics Canada, in Ottawa, Canada (1993-1997).

Mr. Gatete holds a Bachelor's and a Master's degree in agricultural economics from the University of British Columbia in Canada. He is fluent in English with working knowledge of French.

Mr. Antonio Pedro congratulates Mr. Gatete on his appointment as Executive Secretary of ECA, and takes the opportunity to thank the UN Secretary-General for entrusting him to lead the organization as acting Executive Secretary for the past year. Mr. Pedro also expresses his appreciation to the entire staff for their continued support and dedication to the work of ECA and invites everyone to join him in welcoming the new Executive Secretary when he takes up his position.

# Invest in productive, skilled and effective labor force to drive industrial growth and development – Antonio Pedro



New York, 22 September 2023 - The Acting Executive Secretary of the Economic Commission for Africa (ECA), Antonio Pedro, has challenged African countries to invest in industrial skills critical for driving Africa’s industrial growth and economic development.

In an address at the sixth High Level event on the Third Industrial Development Decade for Africa (IDDA III) held on the sidelines of the 78th United Nations General Assembly, Mr.

Pedro lamented the continent’s “serious short of industrial skills and professional capacity needed to achieve sustainable development.”

“Tackling the skills shortage challenge in Africa requires investing in education and technical and vocational training programs tailored to the needs of the industrial sector to harness the continent’s abundant natural resources and labour force more effectively; skills development does not happen in a vacuum,” he stressed.

The SDG-9 on industry, innovation and infrastructure is key for achieving the twin 2030 Agenda and the African Union’s Agenda 2063.

Held on the theme, Positioning Africa’s industrial skills development, deployment and Retention: Accelerating Manufacturing, the High Level event, was organized by the African Union Commission, UNIDO and the ECA. The event was aimed at taking stock of the progress made on the IDDA III and the Accelerated Industrialization Development for Africa (AIDA). Key collaborators involved in the event included the International Labour Organization, Afreximbank, the Africa Capacity Building Foundation, the African Business Council, and The Tony Elumelu Foundation.

The High-Level event was an opportunity for stakeholders on Africa’s industrialization to exchange ideas on

how best to position industrial skills development for the acceleration of Africa’s manufacturing, in critical, value-adding sectors. Besides, the participants discussed ideas to effectively upscale, deploy and retain Africa’s labor force using best international labor practices. Knowing and addressing the skills gap in Africa

“While the skills shortage and the importance of prioritizing skills development in Africa is widely acknowledged, hard data on the topic is limited”, said Mr. Pedro, adding that, “This needs to be addressed starting with the undertaking of skills gap assessments at the macro and sectoral level.”

He added that limited funding of Technical and Vocational Education Training (TVET) and Higher Education by African governments and Development Partners remains

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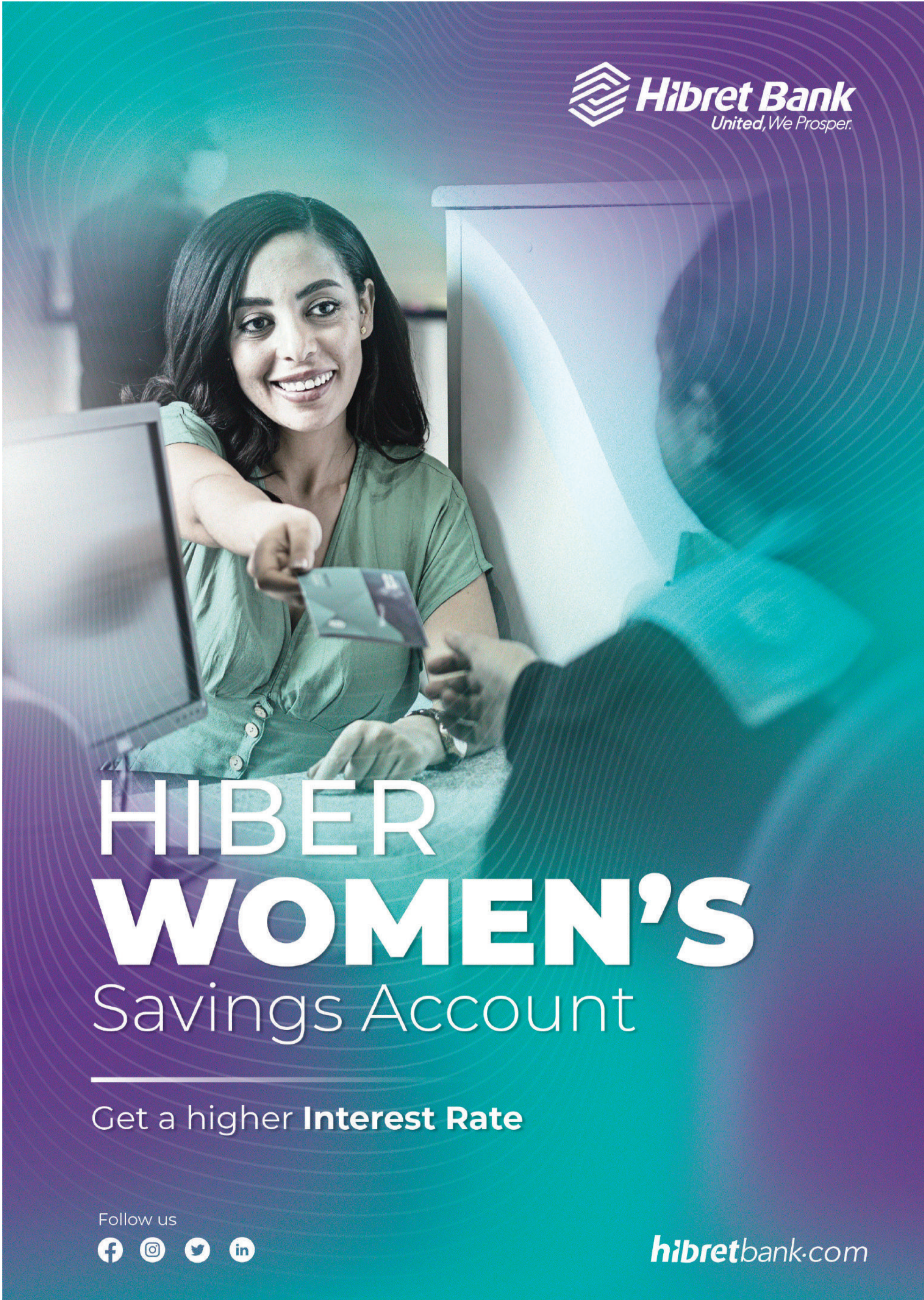
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# What does BRICS bring to the Ethiopian -Private Sector



**Etsubdink Sileshi (Dr.)**

The bloc known as BRICS (Brazil, Russia, India, China and South Africa) has recently decided to expand its influence by accepting requests from six countries including Ethiopia. Before embarking on assessment of the implication of this decision to the Ethiopian business community, it will be helpful to address a couple of questions. What does this bloc stand for? And what are its characteristics? First, BRICS comprises of countries whose economies have been growing so fast in the past few decades compared to other economies. Second, member countries have strong stance on the need to reform global governance including the security council, IMF, World Bank in such a way that they are reorganized with more inclusivity, fairness and democratization. Third, BRICS members oppose unilateral actions on global affairs and the interference in the sovereign domains of individual countries. Fourth, member countries would like to reduce the dominance of dollar by strengthening or introducing alternative currencies or conducting bilateral trades with partner countries' currencies. Fifth, BRICS is "non-western" as it stands now.

How influential is BRICS globally? Member countries together account for about a third of the world GDP, constitute about 46% of the global population. In terms of resource, member countries are endowed with or famous for the production of fuel and gas, huge manufacturing base, enormous agricultural products such as wheat, coffee, sugar, rice and other crops. Besides, there are huge potentials in the domains of science and technology.

All the above opportunities await Ethiopian business communities as the bloc gets stronger and the movements of goods, services and investment across member countries is facilitated by agreements. However, mere membership to the BRICS alone is not a guarantee. The Ethiopian

business community has to rise to the occasion in order to be able to exploit this opportunity. On the other hand, given that companies in countries like China are big and experienced, it is worth noting that there will be stiff competition if the bloc is to evolve as a free trade area, among other aspects.

What are the specific opportunities which BRICS brings with its recent expansion to Ethiopia and other five countries?

**A) Market access:** The BRICS member countries have been witnessing rapid economic growth, their foreign trades are expanding, and their domestic markets are getting ever bigger. Private businesses including those in Ethiopia can harness this opportunity to expand their customer base and increase their profitability. As the countries are more likely to introduce gradual tariff and other trade barrier reductions such as customs quotas, companies in each member country can easily move goods and services, and investment to and from one member country to another. This helps companies grow and become competitive worldwide.

**B) Investment opportunities:** The BRICS member countries offer viable investment opportunities in various sectors. For example, Chinese and Indian companies have been investing in Ethiopia. In the future, as BRICS becomes stronger and the agreements among members expand, Ethiopian companies can also take advantage of the opportunity through partnerships or as suppliers or end product customers to other companies in member countries. In addition, competent Ethiopian businesses will get chances to participate in service and goods related investments be it solely or in partnership with existing foreign companies. In other words, private businesses can benefit from foreign direct investment (FDI) and participate in joint ventures and increase their profitability. The governments of each member country may create conducive business

environments through preferential treatment of BRICS-based companies. This may include incentives for foreign investors such as tax breaks / grace periods, improved regulations, clear inspection standards and so on.

**C) To advance (in) science and technology:** As mentioned above, the BRICS member countries are at the forefront of technological innovation (China in AI, electric vehicles and heavy machinery, Russia in military and cyber, India in software and so on). Private businesses in Ethiopia can cooperate with companies in the leading countries of the bloc to acquire advanced technologies, enhance competitiveness and modernize their old operations, and introduce new products or increase the quality of the existing ones. Having an easy access to the latest technology from friendly countries, producing goods and services in a short time, at a lower cost and with better quality, allows Ethiopian businesses to compete in any market. Knowledge exchange programs and research collaborations may also emerge and can further facilitate mutual technology transfer.

Thus, it should be clear from the outset that all the opportunities for the business community in Ethiopia from the entry of Ethiopia to the bloc can be converted to our advantage only if we do the necessary preparations. With the opportunities come big challenges. Since companies in countries like China are technologically advanced, produce in large quantities and provide products to the market at low prices, they can easily out compete local businesses in Ethiopia. Hence, it is vital to work hard, plan ahead and adapt to the dynamics of emerging realities in relation to the bloc.

What are the specific measures required for Ethiopia's private sector to benefit from BRICS and reduces challenges such as differences in culture, trade and investment rules and infrastructure related problems?

Market research: Both the Ethiopian

private sector and related government agencies should conduct extensive market research to identify potential opportunities in BRICS countries for Ethiopian businesses. This might include assessing consumer preferences, market trends, and competition in different countries. This can be done by creating linkage with local research organization or universities. Moreover, organizing regular exhibitions, business tours and exchange programs. This brings Ethiopian businesses in to contact with and enables them to make deals and exploit new opportunities. Capacity building is also another sphere that helps the Ethiopian business community develop the necessary skills and knowledge to effectively engage in the BRICS markets. This can be achieved through concerted and coordinated awareness creation programs, regular media coverage and organizing other knowledge sharing platforms. Local research institutions and universities can play a vital role in this regard.

To sum up, BRICS alliance offers significant and growing opportunities to private businesses in member countries. Ethiopian businesses might get better access to trade and invest in these markets. However, challenges such as cultural differences, business regulatory and operational complexities, and infrastructure limitations are among the obstacles the business community faces. Ethiopian businesses and concerned government agencies should take calculated steps including market research, capacity building and networking to gain the most out of the opportunities the BRICS arrangement provides. This way, businesses can become profitable, their operations expand and contribute their share in the development endeavor of the Ethiopian Economy be it by creating more jobs, by paying more taxes, by generating foreign currency, by building the country's image with their products and so on.

# Contract Farming for Better Agricultural Yield



By Ashenafi Mitiku

According to the UN Food and Agricultural Organization, FAO, recent transformations in agri food systems have created new technical requirements and compliance costs that make it increasingly difficult for resource-poor farmers to access modern market channels. In this respect, the question of whether contract farming can be an effective institutional mechanism to address this issue stands out as one of special relevance.

The same FAO report says the growing interest in contract farming is associated with recent transformations in food and agricultural systems which make it increasingly difficult to meet consumer demands under more traditional, open market-based procurement strategies. Demographic changes (in rapidly urbanizing areas for example) and rising living standards have required increased food quantities. This increase in demand has led to scientific and technological developments, which in turn have significantly contributed to changes in market demand, the operation of supply chains and the production of raw commodities, further explains FAO report.

Contract farming has been in existence for decades. However, in

recent years, its use has increased in popularity, particularly in developing countries. Globalization has brought the world closer together and the demand for food and agricultural products has increased dramatically. Food markets have become more competitive as consumers in many countries now live in cities and demand food products that are not only safe to eat, but are also produced in a way that does not damage the environment or harm the workers involved in their production, further states the report.

The use of contract farming is expanding in developing countries. This is also true for countries like Ethiopia where agriculture remains the major economic sectors of the economy. However the Ethiopian agriculture is manifested by subsistence in its nature that couldn't contribute to ensure food security of the nation. Thus the emergence of contract farming puts optimism among stakeholders to enhance the output from such sectors.

Practicing contract farming in Ethiopia has long been exercised among farming communities and land owners containing verbal agreements to share the available farming output. However such arrangements didn't bear fruit as expected until modern concept of contract farming has come to existence.

In a recent public discussion held in Addis, the concept of contract farming, practices and challenges were discussed among business communities and concerned stakeholders. The panel, hosted by Addis Chamber, with the financial support of Danish Confederation, deliberated on key issues of contract farming, challenges and opportunities.

While presenting his research paper, Beyene Tadesse (PhD) describes the current opportunities and challenges of contract farming in Ethiopia. Despite the existence of huge potential for contract farming, the low involvement of private sector in agricultural investment, inaccessible finance provision for agricultural investor as financial institutions prefer not to lend to investors that are engaged in agriculture.

The researcher also said that market segmentation and market volatility of agricultural products are singled out as major challenges facing contract farming in Ethiopia. Despite all the challenges brewery industries are contracted with farmers in the form of out growers to supply an input for such agro industries, briefs the researcher. The researcher also describes the advantages of contract farming as there exists potential market as well as connects farmers with potential buyers and investors.

Findings of the research also pinpoint the existing supply chain shortfalls, low quality and farmers capacity to carry out the principles of contract farming, underlines the researcher. The panel also entertained another presentation

from ministry of agriculture. Dubbed as contract farming and its practices in Ethiopia, policies, opportunities and challenges, the second paper was presented by Sultan Mohammed, contract farming team leader from ministry of agriculture who said that contract farming dominates major markets of agricultural products in Europe.

Similarly the introduction of contract farming is key to supply farmers with basic agricultural inputs, new farming technology and practices as well as capacity building opportunities so that farmers can enhance their knowledge and skills to produce more, said the presenter. Besides contract farming, according to the presenter, will have enormous advantages for local communities to secure jobs and investors of contract farming benefits communities in building social infrastructure such as road building and health facilities among others. The panel discussion was also accompanied by reflections from representatives of business communities and stakeholders who said that there is little awareness towards contract farming among farming communities and investors, the need to properly carry out the new proclamation of contract farming, the importance of designing contract farming policy to promote job creation and FDI attraction.

Besides, discussants forwarded their opinion concerning rules and regulations of contract farming for further knowledge dissemination to wide stakeholders. They also said that contract farming to unleash the agricultural potential from irrigation farming.

## Invest in productive, skilled and effective...

Continued from page 4

a challenge and called for better consultations between governments, businesses and educational institutions to improve the outcomes of resource allocation to skills development.

According to Mr. Pedro, Africa can build on existing initiatives and scale them up to trigger transformational change. As an example, the ECA recently signed a five-year collaboration agreement with the University of Johannesburg to develop an 18-month Master of Philosophy in Industrial Policy programme.

The programme aims to build human resource capacity in specialized industrial policy on the continent and to equip its students with the ability to support African governments in prioritizing and developing industrial policy in national development plans and long-term national visions.

“For the continent to create a comprehensive and adaptive skills pool, certain prerequisites, such as improved budget allocation for education and targeted technical training, as well as ensuring an enabling policy environment, need to

be prioritized,” said Mr. Pedro.

Capacity substitution through technical assistance and use of external contractors, service providers, and other forms of capacity acquisition allows industrial skills to be mobilized quickly for project start-ups.

“It is vital that African countries take steps to transfer essential skills that are critical for strategic sectors,” he said, urging for the implementation of strategies and practical measures to safeguard and retain essential indigenous skills.

“The prosperity of a country depends on a productive labour force, which in turn rests on the skills they have and the effectiveness with which they deploy them,” he said.

The ECA Acting Executive Secretary recommended that African countries should integrate the rich talent, creativity, and entrepreneurship into the formal economy. At the same time countries must provide mentorship, training, and technical assistance to enable those in the informal sector to contribute to the formal skills pool.

## At Unstoppable Africa, Antonio Pedro makes strong push for industrialization and energy transition through critical minerals



New York, September 2023 (ECA) - Africa must fully exploit its abundant critical mineral resources to accelerate sustainable industrialization and clean energy transition, the Economic Commission for Africa (ECA) Acting Executive Secretary, Antonio Pedro, has urged leaders at a business summit on the side-lines of the United National General Assembly in New York.

Speaking at a panel discussion on “Extractives, Batteries, Electric Cars: Powering Tomorrow, Today” hosted by the Global Africa Business Initiative (GABI) Mr. Pedro noted that Africa should benefit from its critical mineral resources through fair value creation to ensure that “our resources are used to promote resource driven industrialization to create jobs and enable countries to go up the value chain.”

GABI's Unstoppable Africa is an African private sector-led platform that aims to galvanize leaders across key sectors to invest in Africa - bridging the gap between global investors and Africa's vibrant, emerging sectors. The two-day event is co-convened by the United Nations Deputy Secretary General, Amina J. Mohamed and the Chairperson of the African Union, Moussa Faki Mahamat on the sidelines of the United Nations General Assembly

in New York. The event brings together Heads of State, Ministers, investors and UN leaders, joined by stars in music, sport and film for an exclusive two-day forum on Africa's future.

The session, organized with the aim of elevating Africa's prominence in the global economy and positioning the continent as the premier destination for business, trade, and investment, explored Africa's pivotal role in the burgeoning landscape of electric cars and sustainable energy and discussed the continent's capability for innovation and leadership in these sectors. Despite Africa being endowed with an array of minerals from copper, magnesium, nickel and cobalt, the continent has not been able to make energy transition.

Mr. Pedro said that enabling policies and incentives are important in boosting investment in the value addition of critical minerals.

Ms. Oluranti Doherty, Director of Export Development at the Afreximbank said that African countries need to take ownership and leadership in the development of their mineral resources.

Underlying Afreximbank's commitment to promoting an inclusive battery and electric vehicle value chain, Ms. Doherty said the bank is promoting industrialization

on the continent and is facilitating the development of Special Economic Zones in Zambia and the DRC.

“Following the signing of the framework agreement between the DRC, Zambia, ECA and Afreximbank for financial and technical assistance, we have put together USD1 million to support the preparation of the prefeasibility study for the creation of special economic zones in these countries,” Ms. Doherty said.

A study by BloombergNEF identifies DRC as an attractive location for the manufacturing of sustainable battery precursors as it has abundant cobalt resources and hydroelectric power. The study promoted by the ECA, Afreximbank, the African Development Bank, the Africa Finance Corporation, the Arab Bank for Economic Development in Africa (BADEA), the African Legal Support Facility (ALSF), and the UN Global Compact, noted that the battery precursors to be produced in the DRC would be cheaper, environmentally sustainable and competitive than material produced in China.

According to M. Pedro, the value addition of critical minerals and the boom in electric vehicle demand currently represent a \$7 trillion market up to 2030 and \$46 trillion by 2050. The DRC produces over 70% of the world's cobalt. Together with Zambia, it also supplies 10% of global copper. Moving the DRC one step up on the electric battery value chain could increase the \$11 billion in mining proceeds to \$270 billion.

Speaking at the same panel, Brian

Menell, Chair and CEO, TechMet Ltd noted that Africa has a massive opportunity to be at the forefront of the critical minerals supply for the energy transition and Africa's development.

“Africa has the mineral resources for local beneficiation and with the value addition benefiting local communities, investors are keen to forge partnerships with African governments to enable competitiveness of what is produced, ensuring high standards on sustainability, governance and transparency”, he said.

The United States is advancing critical minerals partnerships in Africa and is supportive of value addition as a shift from the extractive model of the past. In December 2022, the US signed an MoU with the governments of the DRC and Zambia for the value chain development in critical minerals through processing and manufacturing.

### About the United Nations Economic Commission for Africa

Established by the Economic and Social Council (ECOSOC) of the United Nations (UN) in 1958 as one of the UN's five regional commissions, the United Nations Economic Commission for Africa's (ECA's) mandate is to promote the economic and social development of its Member States, foster intraregional integration and promote international cooperation for Africa's development. ECA is made up of 54 Member States and plays a dual role as a regional arm of the UN and as a key component of the African institutional landscape.

## Ensuring Quality of TVET is Fundamental to cut...

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Yet research on TVET also calls for more policy measures to be carried out to boost the role of TVET for national development and job creation to respond to the increasing job seekers in Ethiopia. The TVET sector, dominantly run by the government, unable to satisfy the skilled labor demand from industries, reports the recent workshop hosted by Addis Chamber.

Dubbed as “Industries Perspective on

Current TVET Policy” the high profile panel discussion brought together diverse stakeholders to review the current TVET policy. In his keynote address Nigusu Tilahun, State Minister of Labour and Skills said that quality TVT training by its virtue would not be achieved by government's effort alone rather with the synergic participation of private sectors and strong TVET- industry linkage.



## African should hurry-up for National Action Plans (NAPs) on Human and Business Rights (HBR)

By Seyoum Chane

The second Annual Business and Human Rights (B& HR) Conference was held a month ago in September in the magnificent and shining AU conference Hall situated in Addis Ababa Ethiopia under the theme “For Africa from Africa”. The first continental forum conducted in Accra, Ghana from 11th to 13 Oct. 2022.

Thanks to the organizing committee, the three-day event was a complete success by all standards. The vigorous and vigilant academic reflections of participants representing all corners of the globe were amazing. In the event, our African brothers and sisters underscored the importance of the conference and urged African states be alerted and walking their talks by changing papers in to actions.

Many arguments, theoretical underpinnings, figures and statistics of the topic of Business and Human Rights as well as the increase in both size and number of human right violations with in the business environment in Africa highlighted and recommendations made for urgent actions.

B& HR is indeed critical for gaining increasing importance especially in Africa. Although investment and trade offer opportunities for economic growth, job creation and

social development, it is always necessary to ensure that businesses are properly operating with respect to international human right standards. Business operation should be free of the pitfalls as forced evictions, low wages, displacement of indigenous communities , use of child labour, exploitation of migrant workers, and creating problems of economic, social , governance and environmental that widely seen in Africa .

Following the UN Human Rights Council’s adoption in 2011 of the UN guiding principles on B& HR, African states and concerned stakeholders are showing a growing interest and introducing plans to reverse mal-practices of investors on ESG in general and HBR on particular. In this connection, rounds of applause was made at the conference to three African countries Kenya, Uganda and Nigeria which have developed a National Action Plan (NAP) on Business and Human Rights and to those which have started the process

Another good news that announced by the AU senior official Dr John Ikubaie Gbodi was the exemplary regional effort made by the AU on the development of a policy framework on Business and Human Rights in due consideration of AfCFTA, which is on pipeline of submitting for discussion and adoption. In this connection, rounds of applause

was made at the conference to three African countries Kenya, Uganda and Nigeria which have developed a National Action Plan (NAP) on Business and Human Rights and to those which have started the process.

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With the EU due diligence act that expected to be practical shortly, governments of Africa need to give serious attention to HBR in the years ahead by showing first their commitment at least in finalizing their NAPs. Others with NAP should increase special attention to strict implementation. In spite of its being critical, however, many stressed that NAP is not a single bullet to addressing HBR in Africa unless strict implementation and effective remedies to victims is provided. To this effect, policies should need to investigate possible areas that access to remedy is obstructed to instill appropriate measures. Moreover, governments, AU, development partners, Civil Society actors, National Human Rights Institutions (NHRIs), and business membership organizations need to push for more engagement, sensitization and

popularization of the B&HR agenda on Africa.

The closing plenary was moderated by Dr John Ikubaie Gbodi (AU), involving Professor Damilola Olayuwi (UN Working Group on BHR), Adrienne Gardaz Cuendet, (OHCHR), Mirana Ranarivelo, (UNICEF), Victoria de Mello, (UNDP), Mercy Obonyo, (NHRIs), Joseph Byomuhangi, (CSOs and ACCA), Esther Yongo, (UNGC) to mention a few. Though space restricts to present all their statements, it is important to cite one of the remarks that made by Professor Damilola Olayuwi. “We all have spoken the truth on Africa what we want. An Africa where businesses and investors come with a mindset of not just making profit but also contributing meaningfully to the development of our communities, people and society, an Africa where governments not only listen to the voice of trade unions, indigenous groups, civil society, academia and marginalized groups, but indeed place those voices in the art of decision making”.

Finally, it is a good lesson for Ethiopia in starting the process by assigning a right institution to discharge NAPs preparation by way of organizing a National Committee (Working Group) and networking with relevant continental and domestic institutions to draw lessons, collect inputs and relevant information.

## Ensuring Quality of TVET is Fundamental to cut...

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He also calls for the involvement of private sector to invest in skilled labor production by participating in occupational standard development and competency assessment, investing training institutions, sharing knowledge and skills, participating in skills development governance and monitoring and evaluation activities among others.

Zekarias Assefa , Deputy Secretary General of Addis Chamber on his own part said Addis Chamber has key duties of promoting trade and investment through its strategized functions including business development , advocacy , business training , research and arbitration services to mention a few.

He further remarks, the role of TVET institutions play key role to our business members in particular

and the private sector in general, goes hand in hand with our mission of creating a vibrant and competitive business in Ethiopia.

The role of stakeholders such as Addis Chamber is commendable to support installing vibrant TVET in Ethiopia .As part of such efforts , Addis Chamber in partnership with Danish Confederation( DI) are implementing a project to promote sustainable business in Ethiopia where by TVET takes central place in the project. Such dialogue forums are also essential to discuss the multitude of challenges hovering around TVETs and its long term solution.

Hosted by Addis Chamber, the recent platform presented research papers by renowned academicians for further discussion. The panel discussion also shared the experience of DI from Kenya. Millecent Kaikuri , TVET project manager

,at the global development & sustainability at the Danish Confederation , shared her experience from Kenya who said that installing governance at TVET is fundamental to produce skilled labour and at the same time underscores the current strategic partnership between Addis Chamber and DI towards working to improve the quality of skilled labor that comes from TVET.

The panel also shared the experience of diverse and key stakeholders of TVET who reiterate the importance of such platforms in connecting key actors of education, the need to align common goals and mission to significantly boost the role of TVET at national economy, the need to promote Public Private Partnership (PPP) in TVET, and employing need based and market driven skilled labour that respond to the mismatch of labour among others.