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COMMERCIAL BANK OF ETHIOPIA



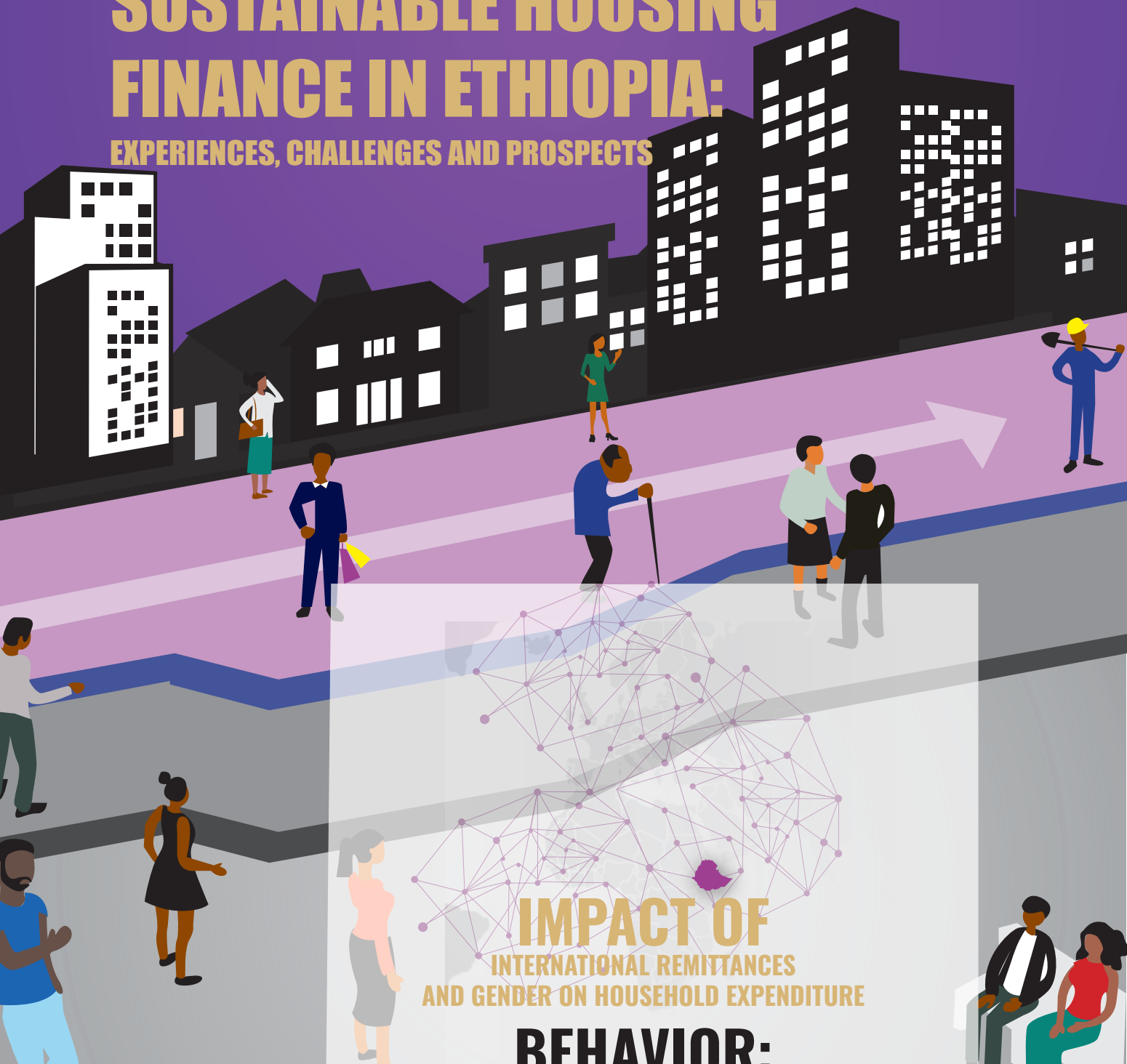
MUDAYE NEWAY

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VOL 8 NO 1 AUGUST 2019 / ቅፅ 8 ቁ.1 ነሐሴ 2011

SUSTAINABLE HOUSING FINANCE IN ETHIOPIA:

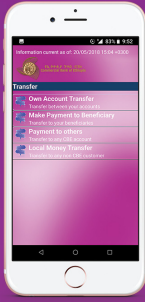
EXPERIENCES, CHALLENGES AND PROSPECTS



IMPACT OF
INTERNATIONAL REMITTANCES
AND GENDER ON HOUSEHOLD EXPENDITURE

BEHAVIOR:
EVIDENCE FROM URBAN ETHIOPIA

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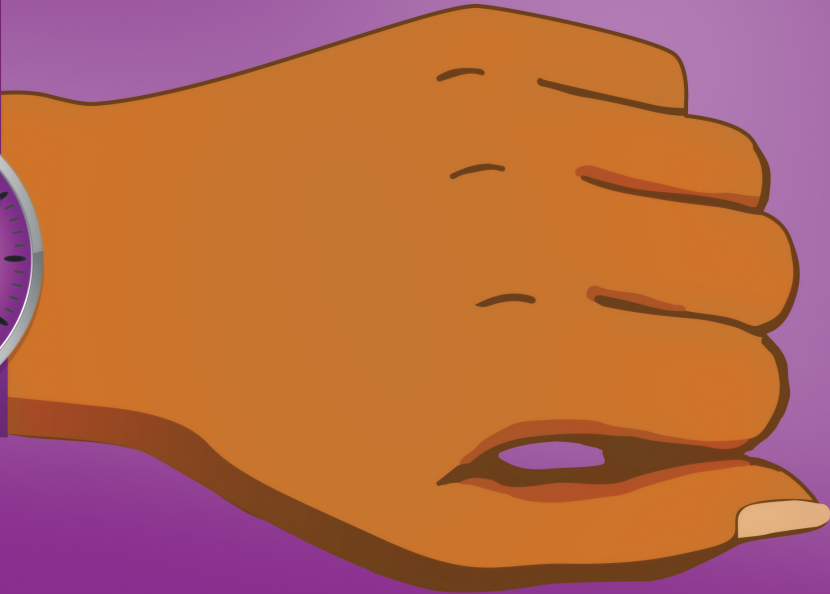
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MUDAYE NEWAY

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Ato Dereje Asegedew



MISSION, VISION



VISION

To become a World-Class Commercial Bank by 2025

MISSION

We are committed to realize stakeholders' values through enhanced financial intermediation using the best professionals and technology.

VALUES

Integrity

- We are committed to the highest ideals of honor and integrity.
- We are committed to act in an honest and trustworthy manner.
- We are committed to firmly adhere to ethical principles and standards.

Service Excellence

- We are committed to maintain the highest operating standards.
- We are committed to offer the highest quality service to our customers.
- We are committed to be preferred brand in service quality in the minds of customers and the general public.
- We strive to build long lasting relationships with our customers.
- We are committed to promote efficient and effective services and ensure maximum value for money.

Professionalism

- We take ownership and personal responsibility for all what we do.
- We are professional in conduct and treat customers with utmost respect.
- We are responsive to the needs and interests of our customers.
- We maintain confidentiality and privacy of all customers.
- We continually develop ourselves to maintain leading-edge capabilities.
- We apply our knowledge and competence to our competitive advantage.

AND VALUES

Empowerment

- We distinguish employees as valuable organizational resources.
- We promote decentralization and delegation of duties and responsibilities.
- We maintain an atmosphere that inspires confidence and take ownership.
- We encourage employee to take responsibility and support to each other and customers in a courteous and respectful manner.
- We recognize our employees for their best achievements.

Respect for Diversity

- We are sensitive to cultural, ethical, religious or other values of employee and customers.
- We value diversity of ideas and viewpoints of our employees.
- We foster an environment of inclusiveness, where all people, regardless of their sex, age, belief, etc., can exercise their maximum potential.
- We are committed to address the needs of our customers, regardless of their sex, age, education etc.
- We are committed to listen to one another and respond appropriately.

Learning Organization

- We anticipate and respond to internal and external changes through constant improvement and adjustment.
- We establish a culture that nurtures individual and group learning.
- We retain and disseminate tacit knowledge across the bank.

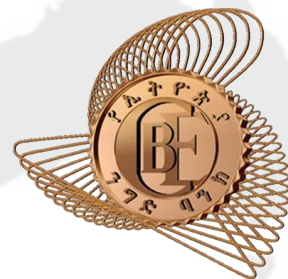
Corporate Citizenship

- We value the importance of our role in national development endeavor and stand up for this commitment.
- We abide by the laws of Ethiopia and other countries in which we do business.
- We care about society's welfare and the environment.
- We believe that the sustainability of our business depends on our ability to maintain and build public confidence.



Teamwork

- We respect one another and co-operate.
- We recognize the importance of teamwork for our success.
- We collaborate and support one another to ensure process integration and minimize external business challenges.



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BOOK



PAY



FLY

Internet Banking



Mobile Banking



Branch



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Commercial Bank of Ethiopia

Ethiopian
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A STAR ALLIANCE MEMBER



MESSAGE FROM THE PRESIDENT & CEO



A lot has happened at the Commercial Bank of Ethiopia during the 2019/20 fiscal year. The overall performance of the bank has been impressive owing to the effective implementation of CBE's deposit mobilization strategy, aligned with the fruitful efforts made by the bank to create public awareness. The total deposit of the bank has jumped over half a trillion Birr, registering 541.2 billion Birr. In this fiscal year alone, the bank has managed to mobilize 89.3 billion Birr incremental deposit. The bank's asset is building up tremendously during the past consecutive years and at the end of this fiscal year it has reached 712 billion birr.

Due to the overall financial performance of the bank, it has been possible to register a profit of Birr 17.9 billion before tax.

In the bank's endeavor to enhance accessibility, CBE has demonstrated its commitment to reaching out potential customers by opening new branches across the country which brought the bank's branch network to 1,444. Following the tremendous expansion of our branch network and the implementation of the bank's deposit mobilization strategy, a lot of new accounts were opened during the year. Consequently, the number of account holders has now reached 21.6 million.

In line with branch network expansion, the bank has managed to deploy various technology

based payment system in all potential areas. As at June 30, 2019, the number of ATM card users has reached 4.4 million. Moreover, the number of the bank's mobile and internet banking services users has reached 2.38 million and 48 thousand respectively. This performance has particularly reinforced the bank's effort to bring about service excellence and eventually satisfy the growing needs of our beloved customers.

Consistent with its value of enhancing corporate citizenship, CBE has been involved in Corporate Social Responsibilities (CSR) much better than ever during the 2019/20 fiscal year. It donated Birr 100 million given to internally displaced people across the country. The bank has also contributed 500 million birr for Addis Ababa green project

It was during this same period that a new branch entirely runs by female employees and named after the seasoned banker Leikun Berhanu came into existence. The purpose of opening the branch is to empower women to take part in all economic activities as they have been under-represented in all sectors, despite their enormous contribution to the economy.

In addition to the regular forum held with exporters working with CBE, two important consultative forums organized by CBE were also held during the period under review to cement relations with stakeholders. One of the forums was on Diaspora mortgage loan and some other related services while the second one was a meeting with Ethiopian nationals working in charities and societies, NGOs as well as embassies to introduce credit facilities specially designed to suit this target group. Both forums were successful. The participants aired their views and expressed their needs. The bank, as a learning organization, was able to draw important lessons for its future actions and consideration.

Finally, this exceptional performance has been registered in an environment where we have encountered stiff challenges. The support of our beloved customers, the board of directors and other stakeholders has been the most important impetus behind our accomplishments. The dedication of our more than 37,700 staff also deserves exceptional admiration. I am more than confident that this support and sense of belongingness continues in the coming years too.

Bacha Gina

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IMPACT OF INTERNATIONAL REMITTANCES AND GENDER ON HOUSEHOLD EXPENDITURE BEHAVIOR: EVIDENCE FROM URBAN ETHIOPIA



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1. Introduction

Remittance refers to money that is sent by migrants to their family and relatives. For most developing countries, remittance is becoming the largest share in their economy. In many cases, the inflow to developing countries is more than three times the official development aid; and even bigger than foreign direct investment.

Looking at the impact of international migration and remittances on households' welfare outcome in particular, and how these remittances are spent or used by households is central to any attempt made to evaluate the overall effect of migration and remittances on developing countries. It is therefore timely and relevant to answer the following research questions using the Ethiopian case.

The objective of this research is to find out the effect of remittances on expenditure behavior of those who receive remittances compared to those who do not; the systemic difference in expenditure patterns among remittance

receiving households emanating from gender of the remitter; and related issues.

To attain the objectives of this study, secondary and primary sources were used. The primary data were collected randomly from selected urban households in the country. Unit of analysis for the study is remittance and non-remittance receiving urban households selected from four major urban areas of the country. These are: Addis Ababa, Mekelle, Gonder and Hawassa.

2. Literature Review

Based on previous empirical studies, the impact of remittances on household expenditure decision has been interpreted mainly from three different Perspectives. The first sees remittance as a transitory income and can be used for productive activities such as investment, housing, education, health and other human and physical capitals. According to this view, remittances have a positive effect on the growth and development of remittance receiving country. Some empirical studies that support the argument are summarized below:

Table 1: Summary of Literature Review

Study	Conclusion
Edwards and Ureta (2003)	A household survey in El Salvador concludes that remittances have a larger positive effect on school retention both in urban and rural areas.
Kifle (2007)	Using a household survey remittance has a positive impact on child education.
Castaldo and Reilly (2007)	HHs who receive remittance in Albania spend more on durables and spend less on food, as compared to HHs who do not receive remittances. The study concludes that HHs who receive remittance in Mexico spend more of their total income on investment goods like housing, health care and durable goods.
Yang (2008)	Receiving more remittance income is associated with a positive effect on the ownership of various types of durable goods, hours worked in self-employment and investment in the capital intensive enterprises like transportation, communication and manufacturing.
Taylor and Mora (2006)	This study in Mexico concludes that HHs who receive international remittance spend more on investment, those who receive internal remittance spend more on services, health, and housing as compared to those who don't receive remittance.

Adams and Cuecuecha (2010)	A national survey in Guatemala concludes that households receiving internal and external remittances spend more on human capital and investment goods - like education and housing - and less.
Tabuga (2007)	A cross-sectional survey in Philippines shows that remittance receiving households invest more on education, housing, medical care and durable goods.
Adams (2010)	A survey in Ghana concludes that remittance-recipient households spend less on consumption but more on education than non-recipient households
Nair (2009)	This study in Nepal concludes that those households which receive remittances shows that the budget share devoted to schooling, health and durable goods increases, and that devoted to food decreases, when remittances both are sent and received by women.
Randazzo and Piracha (2014)	A study in Senegal concludes that international remittances have a significant negative impact on the expenditure on food and a positive impact on durables, investment and education.
Mahapatro et.al (2015)	A study in India found that compared to non-recipient households, households receiving internal and international remittances spend less on food and more on education and health care.

The second view is more pessimistic and sees remittances as compensatory income. Those who support this view argue that remittance is spent more on consumption than investment goods and has no significant positive effect on the development of remittance receiving country. A study by Chami et al (2005) found out that remittances are negatively correlated with GDP but contributed to smooth consumption. A study in Indonesia by Adams and Cuecuecha (2010) concluded that remittances affect positively the marginal expenditure of food consumption but affect negatively the marginal expenditure of investment goods like housing. Clement (2011) in Tajikistan showed that international remittances significantly increase the household consumption level but have a negative impact on investment expenditure. Studies in Ethiopia by Andesson (2012) and Berhe (2012) support this view.

The third view sees remittance as a fungible income (just as any other source of income); and therefore there is no difference in the expenditure behavior of households. According to this view, if a dollar of income of remittances is treated by the household as a dollar of wage/salary income, then migrant's transfers do not produce

any change in how the household allocates its expenditure. For example, Adams et al (2008) in Ghana concludes that remittance income is treated just like any other source of income and households marginal spending pattern does not depend on remittance income. Similar conclusion has been made by Castaldo and Reilly (2007) for Albania and Ang et al. (2009) for the Philippines. However, studies by Tabuga (2007) in Philippines, Sherpa (2010) and Dhakal (2012) in Nepal show mixed results. They found out that remittances were the main source of income and they were spent on consumption (food) and productive activities such as education, health, housing and investment goods.

To explore how the remittance behavior of women and men differ and what the impact of these differences may be, one strand of literature mainly examines the remitting behavior of migrants abroad. Because female migrants tend to earn lower incomes and often have lower rates of labor market participation in the host country, it might be expected that they would remit less than their male counterparts. However, a key question is not the amount, but the share of income that is remitted to the origin family. On this criterion, Osaki (1999), analyzing the

data from the Thai National Migration Survey, found that female migrants remit a relatively higher proportion of their income than male migrants do. Abrego (2009) comes to a similar conclusion for Salvadoran migrants in the United States. Interviews with children in El Salvador indicate that a much larger proportion of children in mother-away households are thriving economically than in father-away households. A study by Eloundou-Enyegue and Calves (2006) with a representative sample of 3,369 women from Cameroon, Benin, Malawi, Mali, Rwanda, Uganda, Zambia, and Zimbabwe, investigates whether women in this sample remit in significant amount and whether the remittance amount differs in their level of education. The findings from multivariate log it model show that women have substantial capacity to remit and this remittance increases with their education level.

Another strand of literature picks up on this latter theme, focusing on the impact of gender on the use of remittances by recipients based in the origin country. Rahman and Fee (2009) interviewed 100 Indonesian domestic workers in Singapore, Malaysia and Hong Kong to explore on how gender affects remittance sending, receiving, control and use and the resultant implications for development. The study found out that among temporary migrants from Indonesia to the Asian Tigers and Malaysia, female recipients used remittance to invest in

human capital, whereas male recipients invested more in physical capital.

3. Results and Discussion

3.1 Data and summary of descriptive statistics

Table 2 below shows annual remittance income from the primary data collected and disaggregated by gender. Average per capita remittance per annum is found to be 8,984 birr (around 332 US\$) for remittance receiving households. Comparing this figure with GDP per capita income of around birr 17,500 (648 US\$) during the same period shows it is more than 50 percent. This implies how big income inflows are from remittances. Equally, this also initiates the argument that international remittances figure of Ethiopia are underreported as tantamount of it is received through informal channels. Moreover, the same table shows that on average 54 percent of total household expenditure of remittance receiving households is covered by remittance income. This figure should not be taken as national average as it only represents major urban areas of the country. However, with recent intensification of migration and remittances the income from this source is also expected to grow.

Further comparing male/female migrant households, male migrant households have slightly more average per capita remittance, though remittance as a percentage of total household expenditure is more or less the same for both groups of households.

Table 2: Summary of Gender Disaggregated Annual International Remittances for Urban Household in Ethiopia in 2017 (in birr)

	All Migrant HHs	Female Migrant HHs	Male Migrant HHs	t-test d/c menas b/n male & female migrants
Average Remittance	29,838.10	30,062.90	29,581	-0.115
HH Level	(32,185)	(29,107)	(35,514)	
Remittance	8,984	8,927	9,049	0.097*
Remittance as percentage of total HH Expenditure	53.65%	53.66%	53.65%	-
No. of observations	238	127	111	

Source: Computed based on the primary data collected in 2017

NB: Standard deviations are in brackets

Table 3 depicts aggregate expenditure categories based on the survey data. These categories include two consumption categories (food and housing), two categories of capital investment (education and health), and one category (miscellaneous). These categories constitute more than 90 percent of the consumption aggregate that has been constructed by the World Bank and used as the main welfare indicator for most developing countries. These are the broad categories of budget shares used for the empirical analysis as shown in the following table.

Table 3: Dependent Variables: Expenditure Categories

Category	Category Description
Food	Purchased products, food Eaten outside home
Health & Education	Real estate, rent with related costs
Other/ Miscellaneous	Education & health expenses such as school fee, books, doctors' fees, medicine etc.

Source: Authors' analysis based on the data source

Table 4 below summarizes average budget shares for the four categories of goods (food, housing, education & health and others) by remittance status and further by male/female migrant

households. The entries in the table reveal that of the total household expenditure, the lion's share of it – not less than 80 percent is allocated to food and other/miscellaneous/ goods such as clothes, shoe, entertainment and others irrespective of households' status (remittance receiving or non-receiving households). This kind of expenditure behavior is expected in countries at their lower stage of development like Ethiopia.

Yet, of interest is to note if there are discernible differences in average budget shares between remittance receiving (non-receiving) and moreover male (female) migrant households. The table depicts that average budget shares for food and human capital investment goods (health and education) are pretty much the same for remittance receiving (non-receiving) households. However, the share of housing is higher for non-remittance receiving households but has lower share for other-miscellaneous goods. The converse is true for remittance receiving households as shown in the same table. Moreover, in the expenditure shares for male (female) migrant households, one could notice that there is no clear difference between these groups of households. However, these averages alone may not be particularly meaningful. Once we account for other control variables such as household size, human capital variables, expenditure per capita, location etc, the results will be more consistent through such descriptive analysis prelude to our discussion.

Table 4: Annual Average Budget Share Expenditures by Gender of the Remitter

Expenditure Share	All Remittance receiving HHs	Female Migrants HHs	Male Migrant HHs	Non-Remittance receiving HHs	T-test b/n Remittance & Non-remittance receiving HHs
Annual Total household	74,293	72,687	75,935	69,106	-0.981
Expenditure (In birr)	(46,683)	(46,438)	(47,313)	(48,432)	
Food share	0.544	0.548	0.541	0.523	-0.925
Housing share	0.068	0.072	0.063	0.117	3.78***
Health & education share	0.080	0.088	0.071	0.078	-0.362
Miscellaneous/ others expenses share	0.337	0.351	0.322	0.295	-2.300**
Observation	238	127	111	330	

Source: Computed from own survey data, 2017

NB: Standard Deviations are in bracket

As the summary statistics of explanatory variables used for regression shows, on average remittance receiving households have less proportion of children below the age of 15, less household size and lower proportion of educated adults in the cycle of primary and secondary education compared to non-remittance receiving households. Nevertheless, proportions of adults with tertiary education are higher for remittance recipient households than their counterparts.

Households with female heads are larger for recipient groups and also have older heads on average though the level of education for the household head is similar in both groups. This similarity supports our previous argument that older heads are not necessarily expected to be educated.

A control variable for city differences in prices was introduced for the capital city Addis Ababa. This is because the living cost is a bit higher in comparison to regional cities such as Mekelle, Hawassa and Gonder.

3.2 Regression Results

3.2.1 Effect of remittance receipt on expenditure patterns

The regression output illustrated coefficient of the instrument used for remittance has the expected sign and is strongly correlated with the endogenous repressor implying that the instrument used is relevant.

The result suggests that variables such as per capita expenditure positively affect the probability of migration and thus remittances. Probably, this is due to the fact that migration is an expensive activity wealthier households afford. However, unlike other studies, migration selects negatively on education implying that less educated people are migrating. This may be a typical case for Ethiopia where the main destination for international migrants (the Middle East) primarily attracts unskilled labor for domestic work. Moreover, looking at remittance location wise; compared to our control region Addis Ababa, households from Gonder have

higher probability of receiving remittances. This may be due to the relative pervasiveness of migration in the former. According to the results of the three stage least square estimates (3 SLS) of the budget share equation, a good number of the variables have the expected signs and prove to be significant. Based on the results, household characteristics such as household size, education status, marital status, number of children and log of total household expenditure, and location seem to affect the expenditure behavior of households. In line with our expectation, increase in log of household size is associated positively with higher budget share on food and human capital goods (education and health), approximately by 15 and 8 percentage points respectively; but a decline in housing share by 30 percentage points. Similarly, share of food budget is affected by the number of adults and the location of households. Against our expectation, budget share of food increases by 11 percentage points with an increase in the proportion of adults with university education when compared to households with similar level of education but less number of adults. Though this appears to be counterintuitive, it also seems to fit to urban households in Ethiopia. This may be because with high level of youth unemployment, adult household members may not be engaged in income earning activity rather depend on the household for their living. Compared to households from Addis Ababa (our control region), households from Mekele and Gonder have higher budget share for food by approximately 16 and 9 percentage points respectively. This may be probably due to the proximity of Addis Ababa to surplus agricultural areas as compared to Mekelle and Gonder. The share of human capital investment (education and health combined) increases with human capital variables such as education of household head, proportion of children, and with log of household size. However, share of housing decreases with human capital variables (proportion of household members with primary and secondary education), log of household size and marital status of the household head. More importantly, the selection term (IMR) is positive and significant for the category 'housing' shows

that selectivity in unobservable components matters. In other words, estimations ignoring the selectivity part of the model would be biased.

Lastly, increase in log of total household expenditure is associated with a decrease in the share of food but rise in the share of investment type goods such as housing. This is in line with the Engle's law which states that as household income (expenditure) increases the share of necessity goods such as food decreases but the share for non-food and investment goods increases.

Turning to our variable of interest which is the effect of international remittances on household expenditure patterns, one can see that estimated coefficient corresponding to the variables capturing the receipt of remittances is not statistically significant at a conventional level in all categories of goods except for housing which is found to be negative.

To analyze if remittance status affects marginal expending behavior for each group of commodities, estimated coefficients for logarithm of household and its interaction with remittance status has been calculated. Except for the budget share of housing, the interaction term is insignificant.

Estimates for the marginal budget share reveal that for every additional birr earned, on average and *ceteris paribus*, households spend nearly 0.020, 0.003 and 0.050 of a birr more on food items, on health and education combined, and on other goods respectively compared to non-receiving households. Contrary to this, non-remittance receiving households spend nearly 0.060 more on housing than their counterparts. Moreover, the expenditure elasticizes for each category of goods for both groups of households are pretty much the same. This shows remittance status of a household did not affect how they consider goods as -necessity, normal or luxury.

Therefore, from the results one can interpret that there is no discernible difference in marginal spending behavior between remittance receiving and non-receiving urban households in Ethiopia. This finding is in line with a study by Adams et al., (2008) in Ghana where remittances are treated like any other source of income and thus their marginal spending pattern does not

depend on remittance income. Thus, according to our survey, how remittances are spent by remittance receiving households seems to fit to the dominant argument in the literature that remittances are spent like any other source of income and thus are fungible.

3.2.2. Gender differential effect of remittances on household expenditure patterns

Unlike the overall effect of remittances discussed above, when the effect is further disaggregated by gender of the receiver, strikingly the magnitude is small. The result reveals that including a gender of remitter and gender of the receiver is essential in fully capturing the effect of remittance on source households' expenditure pattern.

Accordingly, female-headed households that receive remittances have a slightly different expenditure pattern than male-headed households. Compared to male-headed households, female headed households on average spent around 3 percentage points higher on budget share allocated to human capital, goods-health and education combined; but more or less similar expenditure pattern on the other category of goods. Similarly, households with a female remitter tend to spend proportionately 2 percentage points higher on education and health combined compared to households with male remitter. A possible explanation for this could be with missing or incomplete social security in most poor countries like Ethiopia coupled with higher life expectancy of women than men. Women may tend to rely more on their children for old age security. Thus, it is rational that female remitters/receivers prefer their remittances to be spent more on education and health. However, this result does not account the principal-agent issues where the remitter may not enforce his/her preferences about how remittances should be spent due to his/her absence. Thus, this finding could be reversed or even more intensified once appropriate variables are used to proxy remitters' capacity to follow up the intended use of the remittances.

In conclusion, literature on remittances and gender suggest including a gender perspective is crucial. However, our findings similar to Kristin

Gobel (2013), disagree with this perception in that the gender specific effects are rather small in Ethiopia.

4. Policy Implications

To channel external remittances to productive investment on one hand and to make sending and receiving remittances less costly, the following interventions are of a higher priority:

1. Remittance policy: The Ethiopian government should have a specific remittance policy that aims at maximizing the impact of these flows on growth and development. The experience of a number of Latin American and Asian countries such as El Salvador, Nicaragua, Honduras, Guatemala, India, and Pakistan shows the importance of having such a policy.
2. Discourage informal channels of remittances: A significant amount of remittances go through informal channels which discourages savings and investment. It is likely that limited competition among remittance service providers results in higher costs and less access to remittance service providers. Hence, responsible bodies in this sector should push further reforms so as to expedite the

process of obtaining a license to operate in money transfer business, lowering capital requirement, encouraging small and micro finance institutions to deliver the service in collaboration with banks.

3. Training Programs on Management of Remittances: Policy makers should arrange a mechanism for training on management of remittances for migrants before departure and after returning back home. Financial institutions such as banks and money transfer operators can play a significant role. Furthermore, to redirect some of the remittances to investment, the experience of migrant countries indicates that creation of social funds as well as savings and credit plans to finance home purchase and small business start-ups is crucial.

4. Creating Enabling Business Environment: Improving overall business environment through better quality of public service, institutions, promoting infrastructure, and reducing uncertainty among others help foster a more productive use of remittances by channeling it to investment. This will in turn create job opportunities, growth, and enhances Ethiopia's competitiveness. ■

Banking is fascinating. Not only does it provide the lifeblood of capitalism -- namely, credit -- but its history is uniquely coherent. Railroads, automobiles, telephones, airplanes, oil companies, and technology firms all came after banks....

John Maxfield

SUSTAINABLE HOUSING FINANCE IN ETHIOPIA: EXPERIENCES, CHALLENGES AND PROSPECTS

By Ziada Abdelhadi (MA in Sociology), Kahsay Giday (LL.M in Business Law) & Rishan Haile (MA in Resource Management), Mekelle University



Introduction

The right to housing has been recognized as a basic right in international law including UDHR, ICESCR, ESC, AHPRs etc. In these international and regional human right instruments, adequate housing and shelter is coined as basic to ensure economic, social and cultural rights.

In Ethiopia, land and housing have been long time demand of the people and one of the priority policy areas of regimes at different times. However, the provision of adequate housing in Ethiopia still remains to be among the most intractable challenges facing national development.

The main objective of this study is to assess the experiences, challenges and prospects for sustainable housing finance in Ethiopia.

Both doctrinal and empirical research methodologies are used. Key informant interview, documentary analysis (policies, strategies, and laws), case study approach and in-depth interviews were the methods applied to get qualitative data.

2. Literature Review

2.1 The Housing Situation in Ethiopia

Different regimes have pursued different strategies in addressing the pressing issue of housing development and provision in Ethiopia. Until 1974, land in Ethiopia was owned and controlled by two major landholding systems – the rista and gebbar system (UN Habitat, 2007). And housing supply was led by a few landowning elites owning more than 70 percent of the land. However, the 1974 Revolution and subsequent nationalization through Proclamation No. 47/1975 transformed the land and housing situation in Ethiopia. All urban land and extra houses were nationalized and the houses were put under the Agency for the Administration of Rental Houses (AARH). This nationalization excluded the private sector as supplier and caused a critical shortage of housing (Tesfaye, 2007). Later, housing cooperatives took a prominent role in expanding home ownership in

the regime.

Despite such impediments, housing finance was not that much a problem for previous regimes as the government was responsible for the provision of housing for the urban poor and housing units were completed and held by the government in a rental portfolio (UN-Habitat, 2011).

With the change of government in 1991, Ethiopia is overall transition to a market oriented economy had profound implications on housing development. New financial institutions have emerged, the role of the private sector in the housing sector rehabilitated, and the role of the Central Bank in housing development reformulated (Abrham, 2007).

Since 2005 Ethiopia has been implementing an ambitious government-led low-and middle-income housing program, in which the burden of financing is left to CBE. The initial goal of the Integrated Housing Development Program (IHDP) was to construct 400,000 condominium units in line with different developmental targets on creating employment and expanding market for micro and small enterprises. In addition, initiating the involvement of the private sector in housing development was among the visions of the IHDP (integrated housing development project) in its establishment. It was proposed that the private sector produce 125,000 housing units per annum through the provision of land and infrastructure and a conducive legal and policy framework (UN-Habitat, 2011).

2.2 Housing Finance in Ethiopia

Housing loans are loans of a long-term nature provided for the construction of individual houses and business premises (Abrham, 2007), mostly through specialized institutions. However, its provision is dependent on the performance of macro-economies by which housing finance system is determined (Kajimo-Shakantu & Evans, 2006).

In Ethiopia, housing has been typically financed through various sources which were highly affected by the policy orientations of the governments at different times. For instance,

during the imperial regime, there was no coordinated and condensed policy; the Derge regime recognized just one source; and in the current regime, there are various players and relatively more finance sources like banks, private saving, and microfinance institutions.

Effective and efficient institutional framework is indispensable to achieve housing policies and strategies. That is to say, the formulating and enacting of workable policies and strategies is futile unless efficiently and effectively implemented. In the case of housing finance, the role played by institutions becomes critical and indispensable for finance plays important role in any housing development. Recent researchers argue that a financing framework, which facilitates financial intermediation for housing finance, consists of institutions as well as their relationship and the process involved (Joseph, 2001). Concisely, recent researchers argue that well-organized regulatory and supervisory frameworks are crucial if countries are to gain the maximum benefits from housing finance (Housing Finance Markets in Transition Economies, OECD, 2005).

3. Result, Analysis and Interpretation

3.1 Problems Relating to Housing Finance in Ethiopia

At the heart of housing development is housing finance. The Ethiopian housing sector has been facing many challenges, though there are national efforts to address the issue, especially after 2005. The country has very few formal financial institutions and they have over the years proved to be incapable to serve the urban poor (Peck & Yohannes 2009). The few commercial banks and private housing developers are providing financial services to the rich (middle and upper market segments), neglecting the poor. Only government sources reach a few urban poor (ECSC, 2008; cited in Trynos, 2010). According to the report issued by Center for Affordable Housing Finance in Africa (Year Book 2013), "the situation of housing affordability across Africa is not in line to meet equity in access. Only a fraction of the population in each country can afford the

cheapest, newly built house available on the market today. Large financial institutions often marginalize the poor in various housing credit initiatives claiming that they are incompatible with the banking requirements." (Keyssi & Furaha, 2010; Nakweenda, 2014).

Some of the current challenges are briefly discussed in the sections below.

Long-Term Financing

As clearly observed from Ethiopians' living conditions, the gap between income and shelter cost is very wide. High cost has partly been attributed to household's inability to access to alternative source of housing finance, if any at all. Since it is long-term loan, getting finance for housing is difficult, if not impossible, especially from informal social networks such as family, neighbors, friends and informal institutions such as Iddir and Iqub due to its long repayment term. Therefore, it has become a kind of resource mainly searched from formal financial institutions.

Besides, long-term financing is among the challenges of even different financial institutions. Private banks and micro financial institutions in the country fail to involve in housing finance mainly due to their financial constraints. They do have limited source of finance, which is limited to saving. In addition to that, lending at low interest rate equivalent to 9.5 % as CBE does requires extra liquidity. As a result, private banks and micro financial institutions prefer to engage themselves in commercial lending practices as low cost housing with long term financing is considered risky business. Given the culture of relatively high interest rate for long-term loans make them less competitive for housing finance for the poor.

Inflation

Since housing loan is for long-term, it causes opportunity cost during inflation. Though lending rate is adjusted at the detection of inflation and when there is interest rate adjustment, it will apply on both the existing and new contracts though the rate is still by far lower than the inflation rate. This is an opportunity cost to the financial institution, which incurs millions in the

repayment while saving rate is high. Likewise, inflation is challenging for owners as it weakens their ability to repay and this phenomena can be a direct cause for delays, if not make them defaulters. As a developing country Ethiopia has unstable inflation rate, though relatively low (Central Statistical Agency, Ethiopia), this causes a great deal of unpredictability.

Repayment Delays

In Ethiopia, people value home ownership profoundly and it reflects political, social, economic and psychological interests. Consequently, non-repayment is not as such challenging for the bank since the house itself is valuable collateral and owners move land to heaven to pay for fear of losing their house. Rather, repayment delay is critical challenge to the bank mainly in the case of condominium houses, while residential homeowners should start monthly repayment after one-year grace period, many lag behind the schedule. It is time taking and disturbs the functions of the bank to remind and convince them to repay. Bank officers have expressed their deepest concern on delays and defaults especially nowadays (CBE officers interview at their respective offices, October 2017)

Problems Related to Beneficiaries

Many beneficiaries complain that the price of the houses is very high when compared to their income. Some are therefore forced to transfer the houses illegally to third party by concluding contracts to those who have money and can pay the remaining unpaid loan in order to be free from the bank's mortgage duty.

The grace period (repayment holiday) is not free from interest; rather it is a time for owners to do some finishing works before they move to their new home. Nevertheless, most beneficiaries misperceive that it is totally free of any payment and enter into confusion and grievance which somewhat causes delay in repayment.

Minimal Private-sector Involvement

As seen in previous discussions, almost all housing developments are sponsored and

financed mainly, if not solely, by public banks. All institutional and legal frameworks are geared towards public funding of the low cost housing programs. Nonetheless, as housing is capital intensive it presupposes the policies and laws to encourage and pull the private capital and ensure that the private sector plays indispensable role in the housing finance system. It is an area where the private and public resources are combined together for the better. The public-private partnership should work to bring sustainable development where low income earners can equitably and fairly share the national economic development.

Unfortunately, in practice the private sector involvement is insignificant. Real estate developers and cooperatives are financing only very few constructions. The fact that the real estate developers are constructing few houses for the rich and exacerbates the situation.

3.2 Sustainability of Housing Finance

Financial sustainability is an important issue for the emerging affordable housing programs in Ethiopia. Best and effective housing requires huge investment. Conversely, a critical constraint for the development of housing is lack of finance (Smith, 2006). So every housing policy is expected to address the issue of finance and the finance should be sustainable for the policy to be effective. Housing finance is sustainable if it enables a large segment of the population to own residential property within a specified period of time and the financier ensures predictable as well as affordable cash flows. Therefore, to insure sustainability in housing finance, there is a need to achieve the different spectrums of sustainability in housing development, including ecological, economic, social and fiscal sustainability.

In the preceding subsections, the research assessed Ethiopian housing finance in light of these parameters to critically scrutinize whether it is sustainable or not.

Ecological Sustainability

The IHDP by the government is regarded for enhancing resource efficiency almost impossible in the conventional (prior to the IHDP) ►

construction and housing method. The program introduced new construction techniques that reduce cost, wastage and time. The conventional construction methods and techniques proved inefficient in terms of cost reduction and simplicity. The integrated housing program, however, has introduced cheaper and easily adaptable construction techniques and materials that have reduced the overall construction cost nearly by 20-30%.

Economic Sustainability

Recent researches in the area indicate that economic dimension of sustainable housing is about the ability of systems of housing finance to persist over the long term, resilient to external shocks. Housing affordability, source of formal housing stock (access to finance) and contribution to economic stability are vital in elaborating economic sustainability (UNEC, 2009).

Housing Affordability

The Ethiopian urban population, growing at 3.8% per annum, is expected to reach 42.3 million by 2037 (Wondifraw, 2016). If not addressed, this could pose significant challenge in housing demand in the country. The imbalance between housing demand and supply is among the leading problems of achieving sustainability in the housing development. Though there exist subsidy and provisions of government rent houses with a minimum cost, it does not help the poor in meeting their housing needs.

Housing affordability of a household in any part of the world depends on its access to various resources required for housing. Therefore, command over these resources must be given the right priority while planning for any housing development program (Nair, D. et al., 2005), mostly dependent on the actual and potential savings of the inhabitants and is challenging mainly in the absence of government subsidy.

The integrated housing development program of the government, which is proposed to create equity in access to land, generating employment and overall economic development is a hugely

public funded program. Tax-free construction inputs, administration costs, site and inside home facilities, as well as free access to land are among the subsidies by the government.

Household income distribution in Ethiopia is generally low, though growing (WBG report, 2016). This has serious implications on low cost housing affordability. Those who registered for the program even with the minimum contribution (10% and 20%) failed to pay. Even those who could pay the down payment mostly face challenges during repayment and transfer. As a result, many are obligated to transfer their possession illegally or with some legal protection to those who can afford and make additional payment to them.

Source of Formal Housing Stock (Access to Finance)

In addition to affordability, the ability of providers to service loans is also a central issue in sustainable financing. Housing development projects are capital intensive and this makes it among the challenges for any housing development. The formal sources of finance for low cost housing development of the IHDP and self-help housing cooperatives include bond from Commercial Bank of Ethiopia and micro financial institutions, mainly Dedebit in Tigray region. In the self-help cooperatives in Tigray regional state, borrowers have only to pay 20 % of the total cost, which is estimated to be 48,000 birr, and the rest will be covered through loan agreement with Dedebit micro-financial institution.

From the above paragraph, having single source of finance for the IHDP is insufficient to answer the housing demand in the country and the demand for different housing models in the long run. Furthermore, except Dedebit micro-finance institution, only few MFIs have HMF (housing micro finance) which provide limited loan for improvement and construction. If they do, it is only for those who have land. To reduce the problem of liquidity and risks of long-term loans, the SHHC scheme of the region demands relatively high interest rate (11.9% per annum). As Peck & Yohannes (2009), it is mainly due to

their limited and unreliable source of funding to involve at large in the housing development programs.

Income instability coupled with long maturity, makes housing finance a very risky business for commercial banks but not in the case of the current finance for the IHDP (Keyssi & Furaha, 2010). Financial institutions do not consider long term lending for housing a priority because of the associated risks in non-integrated financial systems. In addition, since housing loan is for long term, it causes opportunity cost during inflation. Though lending rate is adjusted at the detection of inflation, it only touches the new entrants and old borrowers finish with the old lending rate. This is an opportunity cost to the bank that incurs millions in the repayment while saving rate is high.

Contribution to Economic Stability

“Vigorous and buoyant housing sector is an indication of a strong program of national investment and is indeed the foundation and the first step to future economic growth and social development” (Ajanlekoko, 2001). Likewise, when it flourishes in a required manner, the IHDP had the objective of promoting saving culture among the urban poor. The publics’ awareness on the significance of saving is considered to be a great achievement to gain the planned benefit from this ambitious housing program. As Solomon (2014) puts it, increased awareness and practical move towards saving will eventually make people, mainly in the capital, to have a vision and plan by avoiding extravagant life style.

These and other impacts on the construction technique that relatively promotes cost reduction, wastage and time and infrastructure facilities of the IHDP by the government contributed for economic stability in the country though it is still insufficient.

Social Sustainability

The other housing development parameter applied to financial sustainability is whether housing policies and strategies are socially sustainable. In addition to problems of

affordability in relation to beneficiaries’ economic background, the system of housing finance does not allow a high proportion of people from different social backgrounds to become homeowners. The current housing finance system in the IHDP as well as self-help cooperatives of Tigray Regional State were mentioned as exclusive to people with some religious background. Predominantly, household income status intersects with religion and values to determine households access to home. For example, followers of Islamic religion with low economic status and religious taboo on loan interest and people with values that forbid access to loan interest are not covered by the integrated housing program of the government and the self-help cooperatives of Tigray region due to the financial systems of the contributing institutions i.e., CBE and Dedit respectively.

Fiscal sustainability

The fiscal policy of Ethiopia has remained judicious, focused mainly on increasing spending on pro-poor and growth-enhancing sectors. As Zerihun (2016), “With the government’s consistent implementation of its poverty-reduction strategy, pro-poor spending continues to rise (73% of total public expenditure in 2014/15)”. Part of this is the current IHDP by which government subsidizes the housing development projects in the country, mainly condominium projects in Addis Ababa and some other major towns of the country as well as Mizer (self-help housing cooperatives in Mekelle). The subsidies include:

- Administrative costs in the different condominium schemes, sharing interest rate (2%) in the early 1-4 rounds;
- Administration and supervision of the sector, subsidies of construction inputs (free of taxation) for condominiums;
- In the case of Mizer, the city government negotiated with contractors and factories to provide construction inputs such as cement, concrete, iron stands and soil with reasonable cost and minimal profit to suppliers. In

addition, the government provides land free of lease for all condominium schemes and minimal amount of lease for Mizer self-help cooperative housing development in Mekelle. Further, government provides facilities till the site for 40/60 schemes and till home for 10/90 and 20/80 housing development schemes.

In addition to government policies and strategies, access to housing and affordability are determined by household's economic status, which is gradually diminishing. Further, limited financial source to the sector, particularly to the low-cost housing program, and their exclusion of people with different religious background put sustainability of housing development at large and particular housing finance in question.

There are also implementation problems that result in financial wastage and huge capital consumption. The fact that housing finance is single-sourced has exacerbated the underserved housing sector with huge demand. In addition, the above stated two institutions engaged in financing the housing sector have also other capital-intensive mandates; and that makes the housing finance fragile.

4. Recommendations

- To facilitate housing development and finance, there should be accessible construction inputs.
- Constructing numerous houses at a time through collaboration between local and foreign contractors is vital to answer many of the housing demand.
- Government controlled houses are necessary to benefit those who are in extreme poverty. This should be proposed to provide for those unable to afford the minimum contribution in 10/90 schemes.
- Governmental role should be high in supervision and monitoring and facilitating repayment in the IHDP.
- Government should also effectively contribute by providing land for construction to capable individuals, real states, housing cooperatives, and for condominium houses.
- Private Banks should also involve in housing finance at least to play their social responsibility. Involvement of different financial institutions could create sense of competition among the institutions and probably give loan with low lending rate. It will also open the gate for individuals to construct their home with relatively low cost.
- There is a need for political commitment and play civil responsibility from housing enterprises, contractors, housing agencies and urban development office in producing quality houses.
- Searching for additional source of finance is fundamental to facilitate the integrated housing development projects for sustainable housing development across the country.
- Compensation systems for those who lose their land for the project should be revised to make them beneficiaries in the long run.
- There is a need for substituting technologies on the scarce construction inputs in the country. It is, therefore, mandatory to introduce improved technologies and factories to support the sector.
- Coupled with introducing national ID, the need for electronic based system of screening, controlling, and supervision methods to create equity in accessing homes is both timely and efficient. ■

በካርዶችህ

— ይጠቀሙ ምቹ ትንሹ ፖሊስ —



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ባንክ በመያዣ የያዘውን ንብረት የሚሸጠው እንዴትና መቼ ነው

በገዢ አዋል መንግስቱ

1. መግቢያ

በብድር ግንኙነት መያዣ ንብረት ተበዳሪው ብድር በቀላሉ እንዲያገኝና የሚፈልገውን ስራ በአግባቡና በወቅቱ እንዲሰራ እንዲሁም አበዳሪው ስለብድሩ መመለስ ዋስትና ምንም አይነት ሀሳብ ሳይገባው ብድሩን ለማበደር እንዲችል በማድረግ ረገድ ያለው ጠቀሜታ እጅግ በጣም የሳላ ነው። የመያዣ ንብረት የሚለው ጽንሰ ሀሳብ ከመጣ ጊዜ ጀምሮ የሚከናወኑ የንግድም ሆነ ሌሎች አገልግሎቶች በከፍተኛ ሁኔታ መጨመራቸውን ስለዚሁ ጉዳይ ደጋግመው የሚጽፉ ጸሐፍት ይገልጻሉ። እርግጥ ነው አሁን አሁን በአንዳንድ የአለም ሀገሮች ብድር የሚሰጡ ተቋማት የሚያዝና የሚዳሰስ ንብረት ባይኖርም ብድር እንደሚሰጡ ነገር ግን ብድሩን ለማስመለስ የዘረጉት እጅግ ዘመናዊ ቴክኖሎጂ እንዳለ እውን ነው።

መያዣ ማለት በአጠቃላይ አንድ ተበዳሪ ብድር በሚወስድበት ሰዓት ስለብድሩ መመለስ እርግጠኛ ለመሆን እንደዋስትና የሚያዝ ማስተማመኛ የገንዘብ ዋጋ ያለው ንብረት ነው። በዚህም መሰረት ዋስትና ሊኖር የሚችለው በመጀመሪያ ደረጃ ሊፈጸም የሚችል ሌላ ግዴታ ወይም ኃላፊነት ሲኖር ነው። ዋስትና ማለት ዋስትና

አቅራቢው ራሱ ወይም ዋስትና የተገባለት ሌላ ሰነድ ወገን ሊፈጽመው የገባውን ግዴታ በአስተማማኝ ሁኔታ እንደሚፈጽም ለማሳየት የሚሰጥ መተማመኛ ነው። መተማመኛውም ዋስትና የተገባለት ግዴታ ከተፈጸመ ቀሪ የሚሆን ነው። በመሆኑም ዋስትና በራሱ በሌላ ግዴታ ላይ የተንጠለጠለ ተቀጽላ ግዴታ እንጂ በራሱ ግዴታን የሚያስከትል አይደለም። በመሆኑም ዋስትና የተገባለት ማንኛውም ግዴታ ቀድሞ የተፈጸመ ወይም የተቋረጠ እንደሆነ የዋስትና ግዴታውም ወዲያውኑ ቀሪ ይሆናል። የዋስትና ንብረት መያዣን በተመለከተ ባንኮች ራሳቸውን ችለው በመያዣነት ያስመዘገቡትን የዋስትና ንብረት ወደ ፍርድ ቤት መሄድ ሳያስፈልጋቸው በራሳቸው በተቀላጠፈ ሁኔታ እንዲያከናውኑ በማሰብ የተለያዩ አዋጆች በህግ አውጪው እንዲወጡ ተደርጓል። በዚህ ጽሁፍም እነዚህ ህጎች ለባንኮች ያመጡት ጠቀሜታ ምንድነው? ባንኮች እነዚህን ህጎች መሰረት አድርገው ጨረታ ሲያከናውኑ ሊከተሏቸው የሚገቡ ሥነ-ሥርዓቶች ምን ምን ናቸው? በዚህ ጨረታ ሂደት ለሚፈጠሩ የሥነ-ሥርዓትም ሆነ ሌሎች ግድፈቶች የባንኮች ተጠያቂነት ምንድን ነው? የሚሉና ሌሎች ነጥቦች ላይ ዳሰሳ ተደርጓል።

2. ባንክ በመያዣ የያዘውን ንብረት የመሸጥ ልዩ መብት

የመያዣ ንብረትን መሸጥ የአስያዣን መብት የሚመለከት ጉዳይ በመሆኑ አስያዣም በአግባቡ ጥቅሙ ሳይነካ ንብረቱ መሸጡን ማረጋገጥ ይፈልጋል። በዚህ ረገድም ህጉ ርትዕን ለመጠበቅ በማሰብ በማንኛውም መንገድ ተበዳሪ የብድር ገንዘቡን በብድር ውሉ መሰረት መመለስ ባይችል እንኳን የተበዳሪውን ንብረት አበዳሪው በህግ የተቀመጡትን ሁኔታዎች ከግምት ውስጥ ሳያስገባ ለመሸጥም ሆነ ሌላ ማንኛውንም እርምጃ ለመውሰድ በውል እንኳን መዋዋል የማይችል መሆኑን በህግ የተቀመጠ ጉዳይ ነው።¹ በመሆኑም ህጉ ማንኛውንም የተበዳሪውን ንብረት ህግ ካስቀመጠው ሥነ-ሥርዓት ውጪ ለመሸጥም ሆነ ንብረትነቱን ለመውሰድ የሚደረግ ስምምነት ዋጋ የሌለው ወይም ውጤት አልባ ስምምነት እንደሆነ ደንግጓል። በዚህም መሰረት አበዳሪ፣ ተበዳሪ ብድሩን መክፈል በማይችልበት ወቅት የተበዳሪውን የመያዣ ንብረት ለመሸጥ የሚከተለው ህጋዊ ሥነ-ሥርዓት ምንድን ነው የሚለውን መለየት አስፈላጊ ነው። ሥነ-ሥርዓቱም ሆነ የተበዳሪውን የመያዣ ንብረት መሸጥ በፍርድ ቤት ውሳኔ በማስወሰን ብቻ የሚከናወን እና ለተበዳሪውም ጥበቃ የሚሰጥ የህግ ሥርዓት አለን።

ይህ ህግ በአንድ በኩል የተበዳሪውን መብት የሚጠብቅ እና አበዳሪውም ቢሆን በመያዣነት የያዘውን ንብረት ሽያጭ በተመለከተ ሽያጩን ሊያከናውን የሚችለው የንብረት አስያዣን መብት ባከበረ መንገድ ብቻ መሆኑን ነው። በዚህ ሂደትም አበዳሪው ያበደረውን ገንዘብ እንዲያገኝ፤ እንዲሁም ተበዳሪውም የተበደረውን እዳ መክፈል እና ተራፊ ገንዘብ ያለ ከሆነም ከዚሁ ከተራፊ ገንዘብ ተጠቃሚ እንዲሆንና ንብረቱ በጨረታ በዝቅተኛ ዋጋ እንዳይሸጥ የተለያዩ የህግ ማዕቀፎችን አስቀምጧል።

በዚህ ሂደትም ማንኛውም አበዳሪ (ባንክን ጨምሮ) ተበዳሪው ያስያዘውን ንብረት ለመሸጥ የሽያጩ ሂደት በፍርድ ቤት ማለፍ ግድ ይለው ነበር። ይህ ሁኔታም በተለይም የኢኮኖሚ መቀዛቀዝ ያመጣና በባንኮች ስራ ላይ የራሱን የሆነ አሉታዊ ተጽእኖ የሚያመጣ ነው በማለት ባንኮች በብድር ዋስትናነት የያዟቸውን ንብረቶች ወደ ፍርድ ቤት መሄድ ሳያስፈልጋቸው በቀጥታ መሸጥና ስመ ንብረቱንም ወደ ገዢ የማዛወር መብት በሚሰጣቸው

አዋጅ እንዲተካ ተደርጓል።² የአዋጁ መውጣት በተለይ ለባንኮች የተለየ ጥቅም የሚሰጥ መሆኑ እድሎአዊነት የሚታይበትና አግባብ አይደለም በሚል ብዙ ክርክሮች ይነሱበታል። በተለይም አዋጁ ለባንኮች ብቻ ተብሎ መውጣቱ ሌሎች አበዳሪዎችን ከባንኮች እኩል የማያይ አግላይ ነው፤ የተበዳሪንም መብት ከፍርድ ቤት ውሳኔ ውጪ ንብረቱን እንዲሸጥ የሚያደርግ ስለሆነ መብቱን የሚጋፋ ነው የሚሉና ሌሎች አሁን ድረስም የሚነሱ ክርክሮች አሉ።

በዚህም መሰረት በባንክ በመያዣነት ስለተያዙ የሚንቀሳቀሱና የማይንቀሳቀሱ ንብረቶች በሚል አዋጅ ቁጥር 1997/90 ታውጧል። አዋጁ በመግቢያው ላይ ስለዚህ አዋጅ መውጣት መሰረታዊ አስፈላጊነት በዝርዝር አስቀምጧል። ለአዋጁ መውጣት መሰረታዊ ተብለው ከተጠቀሱት ነጥቦች መካከልም፤

(1ኛ) ፍርድ ቤት ክስ መስርቶ ለማስወሰን የሚወስደው ጊዜ ረጅም መሆኑ ነው። አንድ ባንክ የሚያበድረው ገንዘብ ከተለያዩ ደንበኞች የሚሰበሰበው ተቀማጭ ገንዘብ ከመሆኑም በላይ ለዚህ ተቀማጭ ገንዘብ ለአስቀማጮች የሚከፍለው ወለድ አለ። ይህ ገንዘብ አስቀማጭ በባንኩ ካስቀመጠበት ጊዜ ጀምሮ የባንኩ ንብረት የሆነና ባንኩን በፈለገው መንገድ ሊጠቀምበት መብት የሚሰጥ ነው።³ ይሁንና ሌሎች የውል ስምምነቶች እንደተጠበቁ ሆነው ባንኩ አስቀማጭ በፈለገው ጊዜ ገንዘቡን ለአስቀማጭ የመመለስ ግዴታ በህግ ጭምር ተጥሎበታል። በመሆኑም ባንኮች ከአስቀማጮች በአደራ የተረከቡትን ገንዘብ የመጠበቅና በአግባቡ ጥቅም ላይ የማዋል ግዴታ አለባቸው። ባንኮች የንግድ ኩባንያዎች እንደመሆናቸው መጠን የሚከፍሉትን ወለድ በማካካስ በብድር የተሰጠ ገንዘብ በውሉ መሰረት ካልተከፈለ የአስያዣን ንብረት በመሸጥ ለብድር መክፈያነት ማዋል ለባንኮች ቀጣይነት ወሳኝ ጉዳይ ነው። ይህም ባንኮች በቀጣይነት ስራቸውን በአግባቡና በተቀላጠፈ መንገድ እንዲያከናውኑ፤ እንዲሁም የሰበሰቡት የህዝብ ገንዘብ ከኪሳራ ወጥቶ አትራፊ ሆነው በመቀጠል ረገድ ያለው አስተዋጽኦ ከፍተኛ ነው።

² በባንክ በመያዣ የተያዘ ንብረትን በተመለከተ የወጣ አዋጅ ቁጥር 1997/90፣ የንግድ መደብርን በተመለከተ የወጣ አዋጅ ቁጥር 1998/90፣ እንዲሁም ማሻሻያ አዋጅ ቁጥር 216/92 መሰረት እነዚህን የባንክን ልዩ መብት የሚያስቀምጡ ናቸው።

³ ኢትዮጵያ የንግድ ህግ አንቀጽ 896ን ይመልከቱ።

¹ የፍትሐብሔር ህግ አንቀጽ 3060

(2ኛ) ለአጠቃላይ ኢኮኖሚ እንቅስቃሴው ሲባል፡፡

በተለይም ባንኮች ለተለያዩ የኢኮኖሚ ዘርፎች የሚውሉና ኢኮኖሚውን የሚያንቀሳቅሱ ዘርፎችን ብድር የሚያቀርቡ በመሆናቸውና ይህንንም ብድር በወቅቱ በመሰብሰብ ለታለመለት አላማ ማዋል ስላለባቸው ነው። ይህ የማይሆን ከሆነና ብድር የመሰብሰብ ሂደቱ የተንዛዛ እንዲሁም የፍርድ ቤትን የተራዘመ ፍርድ ጠብቀው ብድራቸውን ይሰብሰቡ ቢባል በአጠቃላይ በባንኮች ብቻ ሳይሆን በሀገር ኢኮኖሚ ላይ የሚያደርሰው ጫና ቀላል አይሆንም። አዋጆች የባንክ ዋስትና ስለመያዝ የወጡትን ህጎች በዚህ መልኩ ያስቀመጧቸው ሲሆን፤ ይህ ሁኔታም አስተማማኝ የብድር ግንኙነትን እና ቀልጣፍ የብድር አሰባሰብን ለማምጣት ያለው አስተዋጽኦ ከፍተኛ መሆኑ በተግባር የሚያጋጥሙ ጉዳዮች ይበልጡት አስረጃግቶናቸው።

3. የመያዣ ንብረት ለመሸጥ ልንከተላቸው ስለሚገቡ ህጋዊ አሰራሮች

ምንም እንኳን ባንኮች የመያዣ ንብረቶችን ከፍርድ ቤት ትዕዛዝ ውጪ በመሸጥ ለአዳማካኝነት የማዋል ስልጣን በህግ የተሰጣቸው ቢሆንም ሽያጩን ለማከናወንም ሆነ ሽያጩ ከተከናወነ በኋላ መከተል ያለባቸው ሥነ-ሥርዓቶች ግን አሉ። ህግ አውጪው አካል ባንኮች ያበደሩትን ብድር ለማስመለስ በዋስትና ያስያዙትን ንብረት በሐራጅ ሲሸጡ በፍትሐብሔር ሥነ-ሥርዓት ህግ አንቀጽ 394 እስከ 449 ድረስ የተቀመጡትን ድንጋጌዎች እንደአስፈላጊነቱ የመከተል ኃላፊነት እንዳለባቸው በአዋጁ አንቀጽ ስድስት ተደንግጓል። በዚህ ሂደት ግን እነዚህን ድንጋጌዎች ባለመከተል አበዳሪ ባንኩ በንብረት አስያዣ ላይ ለሚያደርሰው ጉዳት ኃላፊነት አለበት።⁴

ዋና ዋናዎቹ ሥነ-ሥርዓቶችም ለተበዳሪው እና ለአስያዣ የ30(ሰላሳ) ቀን ማስጠንቀቂያ መስጠት፣ የንብረቱን ጨረታ ለ 30 ቀናት በጋዜጣ ወይም በአየር ላይ እንዲቆይ ማድረግ እንዲሁም ሌሎች ጨረታው የአስያዣን መብት ባስጠበቀ መልኩ እንደተከናወነ የሚያሳዩ ሥነ-ሥርዓቶችን መከተልን ይጠይቃል።⁵ እዚህ ላይ ሊነሳ የሚችለው የህግ ክርክር ባንኩ በአዋጅ በተሰጠው ስልጣን መሰረት የአስያዣን ንብረት ሲሸጥ በሽያጩ ሂደት ለሚፈጠር የሥነ-ሥርዓት ግድፈት ያለበት ተጠያቂነት ምንድን ነው? የሚለው ነው። ከአዋጁ ድንጋጌ እንደምንረዳው

ባንኮች በሥነ-ሥርዓት ህጉ የተቀመጡ ድንጋጌዎችን ሳያከብሩ የጨረታውን ሂደት የሚያከናውኑ ከሆነ ባንኮች በግልጽ የተቀመጠ የህግ ድንጋጌን ጣሱ ማለት ነው። ይህ ሁኔታም በተለይም ባንኮች መከተል ያለባቸውን የህግ ድንጋጌ ባለመከተላቸው በንብረት አስያዣ ላይ የሚያደርሱት ጉዳት ካለ እና ይህንንም አስያዣ ማረጋገጥ ከቻለ ለደረሰበት ጉዳት ካሳ የመጠየቅ የህግ መብት ይኖረዋል ማለት ነው።⁶ ለምሳሌ ያህል በዋስትና የተያዘው ንብረት የማይንቀሳቀስ ከሆነ ሽያጩ ከመከናወኑ በፊት ሽያጩን በተመለከተ አግባብነት ባለውና በአካባቢው በሚሰራጭ ጋዜጣ፣ ወይም በሌላ መንገድ ለ30 (ሰላሳ ቀን) አየር ላይ የሚቆይ ማስታወቂያ የማውጣት ግዴታ አለበት። ይህ ሁኔታ የአስያዣን ንብረት ብዛት ያላቸው ተጨራሾች መጥተው በጨረታው በመሳተፍ በተሻለ ዋጋ እንዲሸጥላት የሚያደርጉ ናቸው። ይህ ባለመከናወኑ ባንኩ የጨረታ ማስታወቂያውን ሳያወጣ ሽያጩን ቢያከናውን የጨረታው ውጤት ምን ይሆናል የሚለው ጉዳይ ትንሽ የሚያነጋግር ነው። በዚህ ሂደት አስያዣ ጨረታው እንዲሰረዝለት ቢጠይቅ ፍርድ ቤት ጨረታውን የመሰረዝ መብት ይኖረዋል ወይም አስያዣ ይህ ሥነ-ሥርዓት ባለመከናወኑ ምክንያት የደረሰበትን ጉዳት በመጥቀስ ፍርድ ቤት ከሶ መጠየቅ ይችላል።

በመሰረታዊነት አዋጁ የሚገልጸው የሥነ-ሥርዓት ህጉን እንደአግባብነቱ ባንኮች እንዲከተሉ እና ይህ የማይሆን ከሆነ ግን ለሚደርሰው ጉዳት ተጠያቂ እንደሚሆኑ ነው። ይሁንና መሰረታዊ የተባሉና የሽያጭ ሂደቱን ጥያቄ ውስጥ የሚከቱ ነገሮች ሲፈጠሩ የጨረታ ሂደቱ ሙሉ ለሙሉ እንዲሰረዝ ፍርድ ቤት መጠየቅ የአስያዣ ህጋዊ መብት ነው። ፍርድ ቤቶችም ቢሆኑ የአስያዣን ህጋዊ መብት የሚጋፉ እና የጨረታው ሂደት መሰረታዊ የህግ ግድፈት ያለበት ከሆነ ጨረታው ተሰርዞ እንደገና እንዲከናወን ውሳኔ ማሳለፍ አለባቸው። አሁን ባለው የህግ ድንጋጌ መሰረት ግን ፍርድ ቤቶች የተሰጣቸው ብቸኛው ስልጣን የሚመስለው የደረሰው የጉዳት ካሳ ላይ ውሳኔ ማሳለፍ እንጂ የተከናወነን ጨረታ እንዲሰረዝ የማድረግ መብት ሙሉ ለሙሉ የተነፈጉ ይመስላል። የፌደራል ሰበር ሰሚኞች ቤት በቅጽ 12 በሰ/መ/ቁ.656332 በአመልካች ሕብረት ባንክ አ.ማ እና በተጠሪ አቶ አሊ አብዱ መካከል በቀረበ የሰበር አቤቱታ በቀረበ ክርክር ላይ ህግ አውጪው

⁴ አዋጁ አንቀጽ 7

⁵ እነዚህን ስነ ስርዓቶች በተመለከተ አንባቢያን እንደየአግባብነቱ በኢትዮጵያ የፍትሐብሔር ስነ ስርዓት ህግ አንቀጽ 394 እስከ 449 ድረስ የተደነገጉትን ድንጋጌዎች በጥንቃቄ ማየት ያስፈልጋል።

⁶ የፍትሐብሔር ህጉ ከአንቀጽ 2027 እና ተከታዮቹ በአጠቃላይ ማንኛውም ጉዳት የደረሰበት አካል የጉዳት ካሳ የማግኘትና ጉዳት አድራሻ ጥፋት ባይኖርበትም እንኳን ጉዳት የደረሰበት ሰው መካከል ስለሌለበት ብቻ ካሳ ማግኘት መብትን ያስጠብቃል።

አካል ባንኮች በዋስትና የተያዙ ንብረቶችን ለመሸጥ ምንም እይነት የፍርድ ቤት ውሳኔ ሳያስፈልጋቸው በራሳቸው ማከናወን እንደሚችሉ ነገር ግን ሽያጩ በሚከናወንበት ወቅት ባንኮች መከተል ያለባቸውን የሥነ-ሥርዓት ህግ ሳይከተሉ በአስያዥ ላይ ለሚያደርሱት ጉዳት ባንኮቹ በኃላፊነት እንደሚጠየቁ እና ይህንንም ፍርድ ቤት ውሳኔ ማሳለፍ እንደሚችል ማብራሪያ ሰጥቷል። ይሁንና ግን ጉዳት የደረሰበት አስያዥም የጉዳት ካሳ የመጠየቅ መብቱ በጊዜ የተገደበ ነው። በፍትሐብሔር ህግ መሰረት አንድ ጉዳት ደርሶብኛል የሚል ከሳሽ የጉዳት ካሳውን በተመለከተ በፍትሐብሔር ህግ አንቀጽ 2143(1) መሰረት በሁለት አመት ይርጋ የሚታገድ ነው። ከዚህ ውጪ ግን የሰበር ውሳኔው አንድምታ ባንኮች በተሰጣቸው ስልጣን ተጠቅመው የአስያዥን ንብረት በመሸጥ ሂደት ለሚፈጽሙት የሥነ-ሥርዓት ግድፈት ጨረታውን በፍርድ ቤቶች እስከመሰረዝ የሚያደርስ ሁኔታ በህጉ እንደሌለ አመለካከት ነው።

4. የሐራጅ ጨረታን የመሰረዝ መብት ወሰን

ባንኮች የጨረታ ማስታወቂያ ሲያወጡ ጨረታውን በሙሉ ወይም በከፊል የመሰረዝ መብት ያላቸው መሆኑን በጨረታ ማስታወቂያቸው ላይ ይገልጻሉ። ነገር ግን የባንኮች ጨረታን የመሰረዝ መብት ወሰን እስከምን ድረስ ነው? ጨረታውንስ የሚሰርዙት መቼ ነው? የጨረታው መሰረዝ ውጤት ምንድን ነው? የሚሉትን ዋና ዋና ጥያቄዎች መመለስ ያስፈልጋል።

እነዚህን ጥያቄዎች መመለስ በብዛት በጨረታው ሂደት የተበዳሪው ደንበኛ ጥቅምም መጠበቅ ስላለበት ባንኮቹ ጨረታዎቹን ሊሰርዙ የሚችሉባቸው ዝርዝር ጉዳዮች በህግ ያልተቀመጡ በመሆናቸው በአብዛኛው ለባንኮቹ ሰፊ ስልጣን የሚሰጥ ክፍተት ነው። በአሰራር ግን ባንኮች በራሳቸው መንገድና ምክንያት ጨረታን የመሰረዝ ሁኔታ አሉ። በዚህም መሰረት በአብዛኛውና ተቀባይነት ያለውም ጨረታን የመሰረዝ መብት ተበዳሪው ያለበትን እዳ ከከፈለ ባንኩ የአስያዥን ንብረት ሊሸጥ የሚችልበት ምንም እይነት ህጋዊ ምክንያት ስላሌለው ጨረታው መከናወን ከመጀመሩ አስቀድሞ በማንኛውም ሰዓት ተበዳሪው እዳውን ከዘጋ የመያዣ ንብረት ጋር ተያይዞ ያሉ ግዴታዎችን በሙሉ ቀሪ ስለሚያደርጋቸው አበዳሪ ባንኩም በብድር ውሉ ምክንያት የተገባው የመያዣ ግንኙነትም ወዲያውኑ ስለሚቋረጥ ስለመያዣ ንብረት ሽያጭ ልናወራ የምንችልበት ምንም አግባብ አይኖርም ማለት ነው። በሌላ በኩል ባንኮቹ ሌሎች ጨረታውን ለማከናወን ከአቅም በላይ የሆኑ

ችግሮች ሲያጋጥሙ፣ ጨረታው እንዳይካሄድ የሚከለክል የፍርድ ቤት እግድ ሲመጣ፣ በጨረታው ሂደት አምባሳሮ ወይም አለመግባባት ቢፈጠርና ይህም የጨረታውን ሂደት የሚያውክ ሲሆን ጨረታው ሊሰረዝ ከሚችልባቸው አጋጣሚዎች ጥቂቶቹ ናቸው።

ይሁንና በዚህ ጉዳይ ቢያንስ ጨረታው ሊሰረዝ የሚችልባቸው ሁኔታዎች በተቻለ መጠን በህግ ቢደነገጉ ለአበዳሪው ባንክም ሆነ ለተበዳሪው መብትና ግዴታቸውን በመገደብ ረገድ የራሳቸው አስተዋጽኦ ይኖራቸዋል ተብሎ ይታሰባል። ከዚህ ውጪ ግን በተለይ በብድር ዋስትና የተያዘ ንብረት ሽያጭ ጨረታ ተጨራሾች ቀርበው ጨረታው መከናወን ከጀመረ እንዲሁም በጨረታው ላይ የጨረታው አሸናፊ ከተገለጸ በኋላ ጨረታው ሊሰረዝ የሚችልባቸው ሁኔታዎች እጅግ በጣም ጥቂት ብቻ ናቸው። እነዚህም በአብዛኛው በጨረታው ሂደት በተጨማሪ የተሰሩ ግድፈቶችና ተጨራሾችም በመመሳጠር ጨረታው በዝቅተኛ ዋጋ እንዲከናወን ማድረጋቸውን የሚያረጋግጥ ማስረጃ ካገኙ ብቻ ነው። ይህን ሁኔታ ማረጋገጥም በእጅጉ አዳጋች ነው።

5. የንብረቱ በሐራጅ ጨረታ አለመሸጥ

በሐራጅ ጨረታ የወጣው ንብረት በጨረታው ማስታወቂያ መሰረት ላይሸጥ የሚችልባቸው ብዙ አጋጣሚዎች አሉ። ከእነዚህ አጋጣሚዎች ውስጥም አንዱ በጨረታው ቀን የተጨራሽ አለመቅረብ ነው። በጨረታው ሂደት ጨረታውን ለማከናወን ቢያንስ ሁለት ተጨራሾች ለጨረታው መቅረብ ይኖርባቸዋል። ይህ ሳይሆን ሲቀር ግን ጨረታው ሳይካሄድ ሊቀር እና ሊሰረዝ የሚችልበትን ሳይሆን፣ የመጀመሪያ ጨረታ ከሆነ ሁለተኛ ጨረታ ሊወጣ የሚችልበትን ሁኔታ የሚጋብዝ ይሆናል።

ባንኮች ለጨረታ የቀረበው ንብረት ተጨራሽ ሳለመቅረቡ ምክንያት በመጀመሪያም ሆነ በሁለተኛ ጨረታ ንብረቱን መሸጥ ካልተቻለ ባንኩ በህግ ሊከተላቸው የሚገቡ ግዴታዎች አሉበት። እነዚህም ግዴታዎች በአዋጁ የተቀመጡ ሲሆን፣ ባንኮች በሐራጅ ጨረታ ወቅት በመጀመሪያው ጨረታ ተጨራሽ ካልቀረበ ሁለተኛ ጨረታ የማውጣትና በሁለተኛው ጨረታም ተጨራሽ ካልቀረበ ባንኩ በንብረቱ የመነሻ ግምት ዋጋ ንብረቱን የመረከብና ንብረትነቱንም ወደራሳቸው የማስተላለፉ ህጋዊ መብት ተሰጥቷቸዋል።⁷ በዚህም መሰረት በጨረታው መነሻ ዋጋ ንብረቱን ተረክበው በፈለጉት መንገድ የመጠቀም የባለቤትነት መብት ይሰጣቸዋል። አንዳንድ ጊዜ በተለይም የንብረትን የጨረታ መነሻ ዋጋ

⁷ አዋጅ ቁጥር 216/92 አንቀጽ 2

ባንኮች በራሳቸው የሚወሰኑ በመሆኑና ይህም ከባንክ ባንክ የሚለያይ በመሆኑ በአብዛኛው አስያዦች ተቃውሞ ሲያሰሙ ይስተዋላል። ይሁንና ይህን ጉዳይ በተመለከተ የፌደራል ጠቅላይ ፍርድ ቤት ሰበር ሰሚ ችሎት ከንብረት ግምት ጋር ተያይዞ የንብረቱ ግምት አንሷል እንደገና ይገመት የሚሉ ጥያቄዎች ተቀባይነት የሌላቸውና ግምቱም ባንኮች ባላቸው አሰራር መሰረት የሚወሰኑት መሆኑን በግልጽ አስቀምጦ እናገኘዋለን። ይህ ድንጋጌም እንደ ህግ የሚቆጠርና ገዢ ድንጋጌ በመሆኑ ከግምት ጋር ተያይዞ የሚነሳ ጉዳይ የመጨረሻ የህግ ውሳኔ ያገኘ ጉዳይ ነው ማለት ይቻላል።

6. የሐራጅ ጨረታ ተከናወነ የሚባለው መቼ ነው?

ብዙውን ጊዜ የሐራጅ ጨረታው ተከናውኖ አሸናፊው እንደተገለጸ በባንኩ እና በጨረታ አሸናፊው መካከል ውል እንደተፈጸመ ይቆጠራል።⁸ ይሁንና በአንዳንድ ሁኔታዎች የጨረታው አሸናፊ አሸናፊነቱ በደብዳቤ ተገልጾ እንኳን ባንኩ ጨረታውን ስለሰረዘው የተፈጸመ ህጋዊ ውል ስለሌለ በጨረታው ልንገደድ አንገባም የሚልና የጨረታ አሸናፊነቱ የተገለጸው ሰውም አሸናፊነቱ ስለተገለጸ ጨረታን የመሰረዘ መብት ባንኩ የለውም የሚል መከራከሪያ ይቀርባል። የፍትሐብሔር ህግ አንቀጽ 1688(2) የሚደነግገው ውል ለመዋዋል አስፈላጊ ከሆኑት ሁኔታዎች ውስጥ አንዱ ስለሆነው ስለፈቃድ መግለጽ ነው። በዚህ አንቀጽ ለህዝብ የሚደረግ የሐራጅ ሽያጭ በተመለከተ ውል ተደርጓል የሚባለው ለሐራጅ ጨረታ የቀረበው ንብረት ለዋጋ አቅራቢው በተሰጠ ጊዜ ነው ይላል። በዚህም መሰረት በጨረታው ወቅት አሸናፊነቱ የተገለጸው ሰው ውል ተፈጽሟል ለማለት የሚችለው የጨረታው አሸናፊነቱ በመገለጹ ብቻ ሳይሆን በጨረታው ያሸነፈውን ንብረት በእጁ ሲያደርግ እንደሆነ የዚሁ ህግ አንቀጽ ይገልጻል። በእንግሊዝኛው የፍትሐብሔር ህግ አንቀጽ 1688(2) ግን” ... the contract shall be completed only where the thing is knocked down upon the last bid being made.” በማለት አስቀምጦታል። ይህ ሁኔታም ውሉ ተፈጽሟል ለማለት የሚቻለው የመጨረሻው ሐራጅ አሸናፊ እንደተገለጸ ነው የሚል አንድምታ ያለው ነው።

በሌላ በኩል ጨረታ የሚከናወነው ባንክ በሐራጅ የያዘውን ንብረት ለመሸጥ ሳይሆን ባንኮች የአለት ተአለት የግዢ ሂደት ሲፈጽሙ ወይም በሌሎች ጉዳዮች ማለትም ከኪራይ ጨረታ ጋር በተገናኘ ሊሆን ይችላል። በባንኮች እና በጨረታው አሸናፊ መካከል ውል እስካልተፈጸመ

ድረስ ጨረታውን የመሰረዘ መብቱ የሚቻል ህጋዊ አካሄድ ነው። ይህንን ጉዳይ በተመለከተ አንድ በፌደራል ጠቅላይ ፍርድ ቤት የተወሰነ ውሳኔ መመልከት ጉዳዩን የበለጠ ያብራራል። ክርክሩ የተጀመረው በፌደራል የመጀመሪያ ደረጃ ፍርድ ቤት ነው። ለክርክሩ መነሻ የሆነው ጉዳይም የኢትዮጵያ ንግድ ባንክ በአዳማካሻነት የተረከበውን የቀድሞ የብራሌ እርሻ ልማት ድርጅት ለማከራየት ያወጣውን ጨረታ ተከትሎ በጨረታው ከተሳተፉ ተጫራቾች መካከል አሸናፊው ግለሰብ ባንኩ የጨረታ አሸናፊነቱን የሚገልፅ ደብዳቤ እና በደብዳቤው ላይም የኪራይ ውሉን እንድትፈጽም የሚል ስለነበር ይህንን ደብዳቤ መሰረት በማድረግ የጨረታ አሸናፊነት ደብዳቤው ውል እንደተፈጸመ ያስቆጥረዋል ስለዚህ ባንኩ ጨረታውን ለመሰረዝ አይችልም የሚል ነበር። ባንኩም የጨረታ አሸናፊነት ደብዳቤውን ከሰጠ በኋላ የተሻለ አማራጭ ስላገኘሁ ጨረታውን ሰርዞለሁ በማለት ለጨረታ አሸናፊው በደብዳቤ አሳውቋል።

የክርክሩ መነሻም ጨረታ አሸናፊው የአሸናፊነት ደብዳቤ ስለተሰጠ እና ይህም በፍትሐብሔር ህግ ቁጥር 1688 መሰረት በመካከላችን ውል እንደተፈጸመ ስለሚቆጠር ባንኩ ጨረታውን መሰረዝ አይችልም፤ ንብረቱንም ሊያስረክበኝ ይገባል የሚል ነው። በክርክሩ ሂደትም ጉዳዩን መጀመሪያ የተመለከተው የፌደራል የመጀመሪያ ደረጃ ፍርድ ቤት በቀረበው የመጀመሪያ ደረጃ መቃወሚያ በባንኩና በጨረታ አሸናፊው መካከል የተደረገ የውል ስምምነት የለም፤ ጨረታውም የተከናወነው የንብረት ኪራይን እንጂ ሽያጭን የሚመለከት ስላልሆነ በፍትሐብሔር ህግ አንቀጽ 1688 መሰረት ሊታይ አይችልም በማለት ከሳሽ በንብረቱ ላይ መብት ስለሌለው ክሱ የክስ ምክንያት የለውም በማለት በመጀመሪያ ደረጃ መቃወሚያ ዘግቶታል።

ከሳሽ በውሳኔው ቅር በመሰኘት ለፌደራል ከፍተኛ ፍርድ ቤት ይግባኝ ያቀረበ ሲሆን፤ ለይግባኝም ዋነኛ መነሻ ያደረገው በፍትሐብሔር ህግ አንቀጽ 1688(2) መሰረት ውል ተፈጽሟል፤ በጨረታው ሂደት የጨረታው አሸናፊ እንደተገለጸ ውል እንደተደረገ ይቆጠራል የሚልና የፍትሐብሔር ህግ አንቀጽ 2403 በመጥቀስ ነው። ፍርድ ቤቱም የከሳሽን አቤቱታ በመቀበል ይግባኝ ያስቀርባል በማለት ክርክሩ እንዲከናወን አድርጓል። በተጠሪ ባንኩ በኩል ግን ይግባኝ ባይ ራሱ የጠቀሰው

⁸ የፍትሐብሔር ህግ አንቀጽ 1688 ን ይመልከቱ

የፍ/ብ/ሕ/ቁ 1688(2) የሚደነግገው ውል ለመዋዋል አስፈላጊ ከሆኑት ሁኔታዎች ውስጥ አንዱ ስለሆነው ስለፈቃድ መግለጽ ሆኖ ለህዝብ የሚደረግ የሐራጅ ሽያጭ በተመለከተ ውል ተደርጓል የሚባለው በመጨረሻ ለሐራጅ ጨረታ የቀረበው ንብረት ለዋጋ አቅራቢው በተሰጠ ጊዜ ነው ይላል። ከዚህ በተጨማሪም ይግባኝ ባይ በማመልከቻቸው ላይ የጠቀሱት የፍትሐብሔር ህግ ቁጥር 2403 የሚያወራው ስለሐራጅ ሽያጭ ውል በመሆኑና ተከላሽ ያወጣው ጨረታም የእርሻ ልማቱን ለአንድ አመት በሚቆይ የኪራይ ውል ለማከራየት በመሆኑ ከሽያጭ ውል ጋር የማይገናኝ በመሆኑ የተጠቀሰው የህግ አንቀጽ ለተያዘው ጉዳይ ተግባራዊ ሊሆን የሚችል አይደለም በማለት ተከራክሯል። በመሆኑም ተጠሪ ያደረገው ነገር ቢኖር የጨረታ አሸናፊውን ገልጾ ውል ለመዋዋል እንደሚቻል ከመግለጽ ውጪ የተደረገ ውል የሌለ ሲሆን፣ ውል ስለመኖሩም ይግባኝ ባይ በማስረጃነት አላቀረበም። ይግባኝ ባይ እንደሚለው የተጠቀሰው የፍትሐብሄር ህግ ድንጋጌ የሚያረጋግጠው ውል ተፈጽሟል ለማለት ይቻላል ሳይሆን በይግባኝ ባይና በተጠሪ መካከል ውል ተመስርቷል ሊባል የሚችልበት አግባብ የሌለ መሆኑን ነው በማለት ክርክር ቀርቧል። ይሁንና ፍርድ ቤቱ የቀረበውን ጉዳይ በአግባቡ ከህጉ አንጻር ሳያገናኝብ በጨረታው ሂደት ውል ተፈጽሟል ለማለት ስለሚያስችል ባንኩ የእርሻ ልማቱን ለይግባኝ ባይ ያስረክብ የሚል ውሳኔ አሳልፏል።

ጉዳዩን ባንኩ ለፌደራል ጠቅላይ ፍርድ ቤት በይግባኝ በማቅረብ የከፍተኛው ፍርድ ቤት ውሳኔ በህጉ አግባብ ያልተወሰነና የህጉን መንፈስ እንዲሁም ስለሐራጅ ጨረታ በግልጽ የተቀመጡትን ድንጋጌዎች ያላገናዘበ መሆኑን በመግለጽ ከላይ የተገለጹትን ተመሳሳይ የክርክር ነጥቦች ለጠቅላይ ፍርድ ቤቱ አቅርቧል። ጠቅላይ ፍርድ ቤቱም ከላይ ለከፍተኛ ፍርድ ቤቱ የቀረቡትን መከራከሪያ ነጥቦች ሙሉ በሙሉ በመቀበል የጨረታ አሸናፊው በንብረቱ ላይ ምንም መብት የሌለው መሆኑን፣ የተፈጸመ የጨረታ ሽያጭ ውል የሌለ መሆኑንና ባንኩም ጨረታውን መሰረዙ በአግባቡና በህግ መሰረት ነው የሚል ውሳኔ በመስጠቱ ክርክሩ በዚሁ ተቋጭቷል።

ከዚሁ ጋር በተያያዘ ግን ጨረታ መሰረዝ የሚቻለው መቼ ነው? እንዲሁም ባንኮች ጨረታውን በከፊልም ሆነ በሙሉ የመሰረዝ መብት የተጠበቀ ነው የሚለው አገላለጽ ወሰኑ እስከምን ድረስ ነው የሚሉት ነጥቦች በህጉ በጠቅላላው ቢቀመጡ መልካም ነው።

7. ማጠቃለያ

በአጠቃላይ ህግ አውጪው ባንኮች ከሌሎች አበዳሪዎች በተለየ የተለየ ጥቅም ያስፈልጋቸዋል በማለት አበዳሪዎች ብድራቸውን ወደፍርድ ቤት መሔድ ሳያስፈልጋቸው በራሳቸው እንዲሰበሰቡ የሚፈቅድ አዋጅ ማውጣቱ በሀገሪቱ ኢኮኖሚና በባንኮቹ አሰራር ላይ የተሻለ ቅልጥፍናን ያመጣ ነው ማለት እንችላለን። ይሁንና ይህንን ህግ ተከትሎ ባንኮች ጨረታውን ሲያከናውኑ ሊከተሏቸው የሚገቡ ሥነ-ሥርዓቶችን በተመለከተ፤ በተለይም በመሰረታዊነት የአስያዥን መብት የሚነኩ ከሆነ ጨረታውንም ቢሆን በፍርድ ቤት እስከመሰረዝ የሚያደርስ እና ጨረታ በአግባቡ እንዲከናወን የሚያደርጉ የህግ ድንጋጌዎች አስፈላጊ ናቸው።

ንብረት አስያዥች ለባንኮች የተሰጠውን ልዩ መብት ግንዛቤ መውሰዳቸው የሚወስዱትን ብድር በአግባቡ እንዲጠቀሙ እንዲሁም ብድሩን በመመለስ ሂደት ከፍተኛ ጥረት እንዲያደርጉ የሚያተጋቸው ጉዳይ ነው። ፍርድ ቤት በመሄድም የሚጠፋውን የፍርድ ቤቶች ጊዜና ጉልበት የሚቀንስ ሁኔታን በመፍጠር ረገድ ከፍተኛ ጠቀሜታ አለው። ባንኮች ግን በዚህ ህግ የተሰጣቸውን ሰፊ ስልጣን ተጠቅመው የአስያዥንም መብት እንዳይጎዱ ህግ አውጪው አሁን በተግባር ላይ ያለውን የመያዣ ንብረትን የሚመለከተውን አዋጅ በተሻለ መንገድ ማሻሻል በአሰራር ሂደት ለሚፈጠሩ አንዳንድ ልማዳዊ ተግባራት ልጓም የሚያበጅ ያደርገዋል። ■



AFRICAN RETAIL BANKING'S NEXT GROWTH FRONTIER

February 2018 | Report

By McKinsey & Company

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***Revenue could pick up significantly in the next five years.
The region's winners are likely to emphasize a few key
themes—such as going digital first or making banking
leaner and simpler.***

Globally, the banking industry is facing disappointing returns and sluggish growth. For seven consecutive years, its return on equity (ROE) has stayed in a narrowly defined range, between 8 and 10 percent—a level that most consider the industry's cost of equity. In 2016, ROE was at 8.6 percent, down a full percentage point from 2015. Moreover, the industry's global revenue growth rate slowed to 3 percent in 2016, down from an annual average of 6 percent over the preceding five years.

Africa's banking sector provides a refreshing contrast. Its markets are fast growing and nearly twice as profitable as the global average. Although competition is heightening and regulation is tightening, there is still much room to grow: Africa's retail-banking penetration stands at just 38 percent of GDP, which is half the global average for emerging markets.

Africa's banks face challenges aplenty, including low income levels in many countries, widespread use of cash in most economies, and poor coverage of credit bureaus. But some banks are already tapping the opportunities inherent in these challenges. For example, they are harnessing Africa's widespread mobile-phone coverage to create low-price offerings and innovative distribution models. Driven by such innovation, African retail banking's revenue growth could accelerate significantly in the next five years.

Africa's fast-growing, profitable banking markets

Africa is in the midst of a historic acceleration that is lifting millions of people out of poverty, creating an emerging consumer class, and propelling growth in many economies. Reflecting this broader economic progress, Africa today has the second-fastest-growing banking market—taking retail and wholesale banking together—in the world. Between 2012 and 2017, African banking-revenue pools grew at a compound annual growth rate of 11 percent in constant 2017 exchange rates. We expect the African banking market to remain a growth leader going forward, growing at a rate of 8.5 percent over the

next five years.

Africa is also the global banking industry's second-most profitable region: the ROE of its banks in 2017 stood at 14.9 percent, second only to Latin America and comparable to other regions such as emerging Asia and the Middle East (Exhibit 1). The ROE of African banks was more than double the 6 percent achieved by banks in developed markets. Driven by improved margins, African banks' profitability in 2016 was marginally higher than in 2012—although higher risk costs largely offset these gains. Indeed, African banks increased their margins by 0.9 percentage points over this period to 6.8 percent compared with the global increase of 0.1 percentage points to 4.0 percent.

In terms of size, Africa's current banking market is approximately \$86 billion in revenues before risk cost. Our projected growth for Africa's banking-revenue pools of 8.5 percent a year between 2017 and 2022 will bring the continent's total banking revenues to \$129 billion. Of that total, \$53 billion will be in retail banking—up from \$35 billion in 2017—an absolute growth in retail-banking revenues of \$18 billion.

Another notable feature of Africa's banking landscape is the staggering growth in the number of people becoming banked. As of 2017, there were almost 300 million banked Africans, up from 170 million in 2012. We project this figure will reach 450 million by 2022, meaning that close to half of Africans at that time will be banked, compared with just more than one-third today.

A varied geographic landscape

Africa's banking markets show stark differences in size, infrastructure, "bancarisation" (or banking penetration), and use of digital technology, to name but a few variables. We have identified four archetypes among African banking markets, each with markedly different per capita income, banking penetration, revenue growth, profitability, and financial infrastructure.

The first is the relatively mature market, which includes countries such as Egypt and South

Africa, with higher GDP per capita and asset penetration. These markets have higher branch penetration—17 branches per 100,000 adults versus the African average of five. They also have higher credit-bureau penetration of 22 percent of adults, double the African average. Retail banking tends to be a higher share of the revenue pool in these markets, and more sophisticated financial services such as asset management and mortgage are also more prevalent. This is partly because the share of adults earning more than \$5,000 per annum is higher, at 51 percent on average versus 15 percent for Africa as a whole.

The second archetype market is the fast-growing transition market, which covers countries like Ghana, Cote d'Ivoire, and Kenya, where banking penetration is ahead of the curve. These are mature and competitive retail-banking markets, with high levels of mobile banking and other innovations. The growth rate is highest in these markets, with an annual average of 14 percent between 2011 and 2016, and so is ROE (17 percent in 2016).

Third are the sleeping giants such as Angola and Nigeria, large markets in which banking penetration is lower than would be expected at their income levels. Notably, the sleeping giants are all oil exporters. The prominence of oil in a national economy often steers banks away from lending more to other sectors or to the consumer market. In these markets, we also see credit-bureau coverage of only 3 percent—the lowest percentage of the four archetypes—and less innovation in arenas such as mobile money.

The final archetype is the nascent market, which includes countries such as Ethiopia and Tanzania, where both GDP per capita and asset penetration are still low. These markets present the biggest challenge for foreign players seeking positive returns; indeed, some nascent markets, such as Ethiopia, restrict or prohibit entry of foreign banks. However, certain of these markets have large populations—for example, around 100 million in Ethiopia and 60 million the Democratic Republic of the Congo—and are fast growing, thus representing outsized potential for banks that can negotiate regulatory approval to enter and create winning business models.

A competitive landscape, with clear winners

Within this challenging and varied landscape, competition in the African retail-banking landscape is increasingly fierce. In this environment, some banks are proving to be true African lions, standing head and shoulders above the rest in terms of profitability, revenue growth, efficiency, and credit control. Others are struggling.

We analyzed the performance of 35 of Africa's largest banks in the continent's key markets over a five-year period from 2011 to 2016. One of the most striking findings is that there is no trade-off between profitability and growth in African banking. Banks in the top quintile of ROE achieved 37 percent ROE over this period, roughly four times the 9 percent ROE achieved by banks in the bottom quintile. The top-quintile banks by ROE grew revenues at 23 percent per annum, almost 2.5 times the 9 percent of banks in the bottom ROE quintile (Exhibit 4). It seems the traditional view of a trade-off between ROE and growth is a myth, at least in Africa. Banks can set ambitious goals for both ROE profitability and market-share growth.

Perhaps less surprisingly, the top-performing banks by ROE were also impressively lean: their average cost-to-income ratio over this period was 40 percent versus 57 percent for bottom-quintile banks. They also manage risk better—their average credit-loss ratio, at 1.1 percent, was exactly half that of the low performers. These levels set benchmarks to which other banks in Africa can aspire. There will of course be variations based on a bank's geographic spread, but these figures provide a good aspiration for banks across the continent.

Five winning practices

How fast Africa's retail-banking penetration increases in the years ahead will depend on how bold its banks are in innovating to overcome the challenges previously listed, such as low-income populations, widespread use of cash, and poor credit-bureau coverage. In our base-case scenario, retail-banking revenues across the

Africa is in the midst of a historic acceleration that is lifting millions of people out of poverty, creating an emerging consumer class, and propelling growth in many economies.

continent will grow at a compound annual rate of 8.5 percent between 2017 and 2022. If more banks emulate the winners and roll out low-cost models and innovative partnerships, growth will be even faster. In this aggressive-growth scenario, we project an increase in the banked population of five percentage points per year versus the historical rate of three percentage points per year. We also see potential for growth in consumer finance as more innovation occurs in underwriting techniques. As a result, in this aggressive-growth scenario, we expect retail-banking revenue growth to increase to 12 percent a year (2017–22) versus our base projection of 8.5 percent per year.

Our analysis and experience suggest that leaders in Africa's retail-banking landscape will focus on one or more of the following winning practices.

1. **Draw the right map.** Geography matters. About 65 percent of African banks' profitability, as measured by ROE, and 94 percent of revenue growth are attributable to geographic footprint.
2. **Right segments, compelling offers.** Our research indicates that 70 percent of growth in Africa's retail-banking-revenue pools by

2025 will come from two middle segments comprised of individuals that earn an annual income of between \$6,000 and \$36,000.

There is, in addition, a huge opportunity for growth in meeting the needs of customers with new borrowing, saving, investing, and protection products and services.

3. Leaner, simpler banking. With the highest cost-to-asset ratio of any region in the world, Africa's banks must act now to create simpler, leaner banking models. A number of the continent's leading banks have been making progress through end-to-end digital transformation, sales productivity, and back-office optimization.

4. Digital first. Approximately 40 percent of the African banking customers we surveyed prefer to use digital channels for transactions, and roughly the same share prefer to use branches. In several of the continent's major banking markets, the share of customers who prefer digital channels is significantly higher. Banks can adopt one of three distinct digital strategies: transform their existing operations digitally to increase their share of digital sales and transactions; collaborate with telcos or fintech companies to deliver mobile financial services to their clients at a cost below that of the branch network; or build a digital bank from scratch.

5. **Innovate on risk.** African banking still has the highest cost of risk in the world, not least because of a paucity of credit bureaus combined with immature risk-management practices in many banks. A number of exciting innovations in credit-risk management are emerging, however, some of which will help unlock the consumer-credit opportunity in Africa.



2019

BANKING INDUSTRY OUTLOOK

Optimism for banking and capital markets

There's a new kind of promise in the banking industry—and possibly no better time than now for transformation. Economic fundamentals are strong, the regulatory climate is favorable, and transformation technologies are more readily accessible, powerful, and economical than ever before.

Calmer waters: A decade after the financial crisis, the banking industry is on firmer ground

The global banking system is not only bigger and more profitable but also more resilient than at any time in the last 10 years (figure 1). According to The Banker's Top 1000 World Banks Ranking for 2018, total assets reached \$124 trillion, while

return on assets (ROA) stood at 0.90 percent. Similarly, tier 1 capital ratio as a proportion of assets rose to 6.7 percent, significantly higher than in 2008.

Figure 1. Growth of the global banking industry

In the last decade, top 1,000 world banks have grown



Source: Danielle Myles, "Top 1000 World Banks 2018," The Banker, July 2, 2018, Danielle Myles, "Top 1000 World Banks 2017," The Banker, July 3, 2017, Charles Piggott, The Banker, July 24, 2009.

But the recovery since the financial crisis has not been uniform across regions. US banks, compared to their European counterparts, are ahead on multiple measures. Aggressive policy interventions and forceful regulations helped propel US banks to health more quickly. And more recently, favorable GDP growth, tax cuts, and rising rates have further bolstered the state of the industry.

Total assets in the United States reached a peak of \$17.5 trillion.² Capital levels are up as well, with average tier 1 capital ratio standing at 13.14 percent. Return on equity (ROE) for the industry is at a post-crisis high of 11.83 percent.³ Efficiency ratios also are at their best. Similarly, on other metrics, such as nonperforming loans and number of failed institutions, the US banking industry is robust.

However, the same cannot be said of the banking industry in Europe. Structural deficiencies, overcapacity, low/negative interest rates, and the absence of a pan-European banking regulatory agency have all likely contributed to European banks experiencing persistent profitability challenges.

Many European banks have become smaller, retrenching from international markets and exiting former profitable businesses. Consider

the fact that profits of the top five European banks dropped from \$60 billion in 2007 to \$17.5 billion in 2017.⁴ However, European banks are showing some improvement. ROE for the Western European banks in the top 1,000 world banks grew to 8.6 percent in 2017, compared with 5.5 percent in 2016.⁵

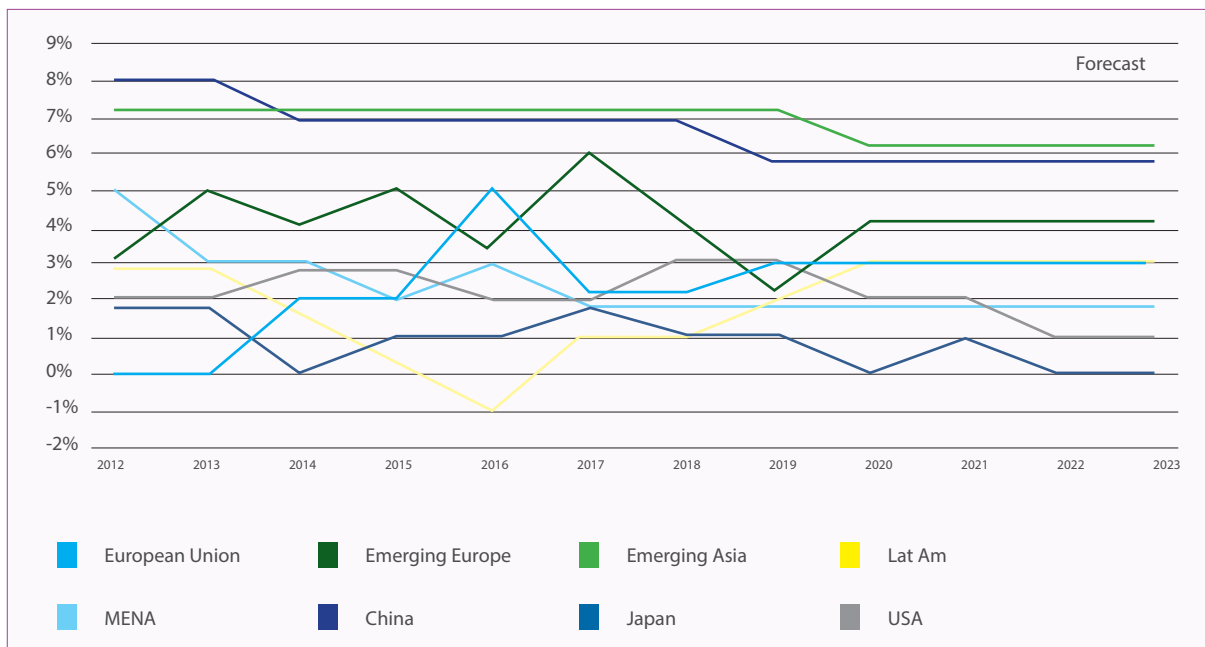
In the Asia Pacific (APAC) region, the growth of Chinese banks has been the most stunning development in the last 10 years. The Chinese banking industry has surpassed that of the European Union (EU) in terms of size. The world's four largest banks in 2018 are Chinese; in 2007, none of the top 10 banks in the world were Chinese.⁶ Chinese banks are also doing well in terms of profitability—the larger banks reported a 15.3 percent ROE in 2017.⁷ However, the concern with economic growth and the tariff war with the United States are already affecting prospects.⁸

Meanwhile, Japanese banks, which escaped the financial crisis, have long suffered the effects of slow domestic growth and low/negative interest rates.⁹

Despite this overall optimistic picture for the global banking industry, uncertainties loom on the horizon. Real GDP growth forecasts from the International Monetary Fund (IMF) point to a

Figure 2. Real GDP growth by region, 2013-2023

In the last decade, top 1,000 world banks have grown



Source: World Economic Outlook, October 2018, International Monetary Fund.

deceleration in all regions, including China and Emerging Asia (figure 2). In the latest forecast, Deloitte economists are predicting a 25 percent probability of a recession in the United States in 2019. In this scenario, tariffs and dilution of the stimulus effect could weaken the US economic growth in late 2019 or early 2020.

And on the regulatory front, global divergence shows no signs of abating as governments continue to buck previous post-crisis trends of synchronization. To spur economic growth, local jurisdictions are increasingly implementing their own standards, sometimes in patchwork.

While net new regulations in the United States appear unlikely, the reprieve has largely been confined to the smaller and midsize banks. Large banks, despite potential relief from the Volcker Rule, are expected to continue to operate under the same regulatory agenda.

In the technology arena, the promise of exponential technologies seems more real than ever. While the wild enthusiasm with blockchain has tapered off, the industry continues to sail toward a blockchain future. However, the energy might now lie with artificial intelligence (AI) and

cloud, as they are already transforming many aspects of banking in significant ways.

But for any of these technologies to have maximal impact, data is key. Although data is plentiful, it is often not easily accessible, clean enough, nor integrated.

Meanwhile, the relationships between banks, fintechs, and bigtechs are evolving rapidly. Fintechs are increasingly no longer seen as scrappy adversaries—collaboration with incumbents is more the norm. With increasing industry convergence, the relationship between the banking industry and bigtech can be characterized as a bit guarded. Banks typically need bigtech, and in some ways bigtechs also need banks, as the banking industry remains a big revenue source for many technology companies.

Last year, we urged banks and capital markets institutions to accelerate their transformation, particularly digital transformation. No doubt many banks have embraced digital transformation across the banking and capital markets value chain.

But how much of this change is purposeful and strategic? Change for change's sake typically only

begets disappointment. Banks should bolster their conviction and reimagine transformation as a holistic, multiyear process, and “change how they change.” The world is becoming too volatile, and external change is happening more rapidly than before. Taking a traditional approach in confronting these challenges may not work. “Change the bank” initiatives should move to the fore and could essentially become the new operating model for “running the bank.”

This transformation should fundamentally start with banks reaffirming their role in the global financial system. What do they want to be in the next five or 10 years?

Banks should discard grand visions of becoming “a technology company” and instead focus on customers, enhance trust as financial intermediaries, facilitate capital flows, and provide credit to the global economy with data as the bond that sustains the amalgam of technologies—AI, automation, cloud, core modernization, etc.—best suited for the purpose.

Future-proofing the business

Our main message, though, is the following: There may be no better time than now to reimagine transformation. Economic fundamentals are stronger than at any time in the last decade. The regulatory climate is not going to get any more challenging. And, technologies to enable transformation are not only getting more powerful but also more readily accessible, easily implementable, and economical than before.

Indeed, there appears to be a new kind of promise in the banking industry.

We urge banks not to become complacent. The economic/credit cycle is bound to turn at some point. Use recent fortunes to invest wisely, and pursue change with clarity and conviction.

Key trends: Regulation, technology, and risk

Regulation: A new era of global regulatory divergence

Last year, we predicted a stabilization on the regulatory front after years of intense scrutiny by regulators around the globe. Much has

happened since then. Growing divergence in global regulatory standards remains a fact. As countries look for ways to spur economic growth, many are increasingly showing a willingness to take a fragmented approach, bucking the previous trend of post-crisis synchronization.

In the United States, the focus on refining or even replacing existing regulations remains. A new bill, Economic Growth, Regulatory Relief, and Consumer Protection Act, amending certain provisions in the Dodd-Frank Act was signed into law. Notably, the statutory systemically important financial institutions (SIFIs) asset thresholds for enhanced prudential regulations, such as stress tests and capital and liquidity ratios, were increased, giving the most relief to banks with assets between \$50 billion and \$100 billion.

As for the Volcker Rule, several changes are still pending. The proposal intends to modify the scope of applicability based on trading size, amend proprietary trading provisions, and simplify compliance reporting. It also offers some relief to foreign banking organizations (FBOs).

The Community Reinvestment Act (CRA), requiring banks to serve the credit needs of their communities, may also be revised. The Office of the Comptroller of the Currency (OCC) has begun seeking public comment on ways to amend this act.

The Department of Labor’s (DOL’s) fiduciary rule, requiring financial institutions to act in the best interest of their clients, was overturned, but a new best-interest rule from the SEC is still a possibility. Meanwhile, enforcement actions by the Consumer Financial Protection Bureau (CFPB) have declined. As of September 2018, the CFPB had announced only five enforcement actions since February 2017.

While the pace of new regulations has decelerated under the current US administration, the role of the states may grow in prominence. As an example, California passed the Consumer Privacy Act of 2018, which establishes new data protection rights for consumers. Other states are likely to follow suit.

In Europe, the General Data Protection Regulation

(GDPR), the first of its kind to provide sweeping data protections to EU citizens, will continue to reshape privacy and data ownership policies. Meanwhile, even though the implementation of Markets in Financial Instruments Directive II (MiFID II) has hit some speed bumps, the drive toward fee transparency will only accelerate. On the other hand, Payment Services Directive II (PSD2) has had the intended effect of promoting innovation and competition in payments.

Additionally, the European Commission (EC) continues to work on completing a single, harmonized regulation rulebook and on finalizing the banking union. However, it has faced headwinds in establishing the banking union because the global trading book capital standards it seeks to incorporate from the Basel Committee's Fundamental Review of the Trading Book are in flux.

In the United Kingdom, as the March 2019 Brexit deadline rapidly approaches, much uncertainty remains. Many banks have already established contingency plans, possibly preparing for the worst—either a no-deal or hard Brexit. Depending on what ultimately happens, these plans could be put to the test.

In the APAC region, conduct and culture were high on the regulation agenda in 2018. China's banking regulators issued extensive guidelines on employee conduct management, while Malaysia's central bank proposed an accountability framework for senior officials in financial institutions.

In 2018, APAC regulators took a closer look at foreign investment and recovery and resolution planning. India's central bank, for instance, introduced a new framework for the resolution of stressed assets, and Hong Kong updated its recovery planning legislation in accordance with international norms.

Meanwhile, in China, the historic step to merge banking and insurance watchdogs might help Chinese regulators better tackle the mounting risk in its financial system.

Despite growing global regulatory divergence, regulators in the United States and abroad seem to be encouraging experimentation by fintechs

and welcoming them to the fold.

The OCC announced in July 2018 that it would begin accepting fintech bank charter applications. Meanwhile, the United Kingdom's Financial Conduct Authority (FCA) announced plans for a network of global regulators—dubbed the Global Financial Innovation Network (GFIN—to establish a global regulatory “sandbox” that can foster innovation among technology companies.

The Monetary Authority of Singapore is also taking a sandbox approach to fintech innovation. And, in Japan, the Financial Services Authority is considering a complete regulatory overhaul in response to the expanding influence of fintechs. These changes, if implemented, could have wide-ranging implications for traditional banks.

With such a dynamic regulatory landscape, banks should buckle down and make compliance modernization a priority in 2019, focusing particularly on making regulatory systems already in place more efficient for business strategy. And, of course, throughout all compliance efforts, banks should prioritize soundness and safety.

Technology: Creating a symphonic enterprise

In our 2018 outlook, we highlighted the hodgepodge of systems, platforms, software, and tools—much of it legacy infrastructure—as a key challenge for bank CIOs. This remains relevant for 2019 as well. Banks' success in digital transformation will ultimately depend on how strategy, technology, and operations work together across domains. We refer to this as a “symphonic enterprise,” where different technologies and solutions are seamlessly meshed to create maximum value.

To achieve this, excelling at data management, modernizing core infrastructure, embracing AI, and migrating to the public cloud should take precedence in 2019 (see figure 4 on the following page).

But a key step in any of this digital transformation is getting a better handle on data to extract the greatest value from technology investments. No doubt many banks have established dedicated data management programs, but success up to this point seems modest at best.

The data challenge becomes more daunting as data integrity increases in importance. Regulatory expectations will further elevate the role of effective data management. PSD2 mandates that banks make customer data more accessible to third parties, while GDPR forces banks to ensure the privacy of their customer data. Not managing the conflicting priorities could raise operational risk for banks.

The challenge for many banks is that data, for the most part, is being managed in siloed, disparate systems, which complicates banks' ability to know and serve their clients.

Of course, core system modernization is not a new goal for many, so what is different now? As banks accelerate their digital transformation efforts, relying on a patchwork of archaic systems can pose significant risk. And, as banks consider adopting technologies like machine learning—and eventually block chain and quantum computing—how well suited are existing systems to run, grow, and secure a modern digital bank?

The good news is that more banks are taking the

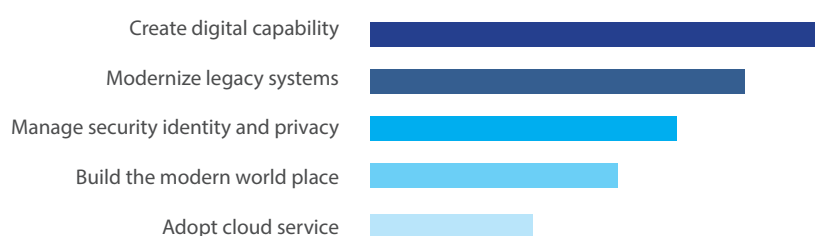
leap, but at their own pace. Some banks have completely replaced their legacy systems, while others, such as Nordea, are following their lead with multiyear modernization initiatives. Others have eschewed the “rip and replace” method in favor of micro services and cloud applications, while gradually reducing reliance on the legacy systems.

Multiple core banking systems can present an additional challenge: Which systems should be modernized first, and how? Systems that process high volumes of transactions, like core deposits and credit card platforms, will likely take significant effort to transform versus some lending platforms that might be easier to migrate. Key Bank, for example, chose to modernize its consumer lending platform to provide a better customer experience.

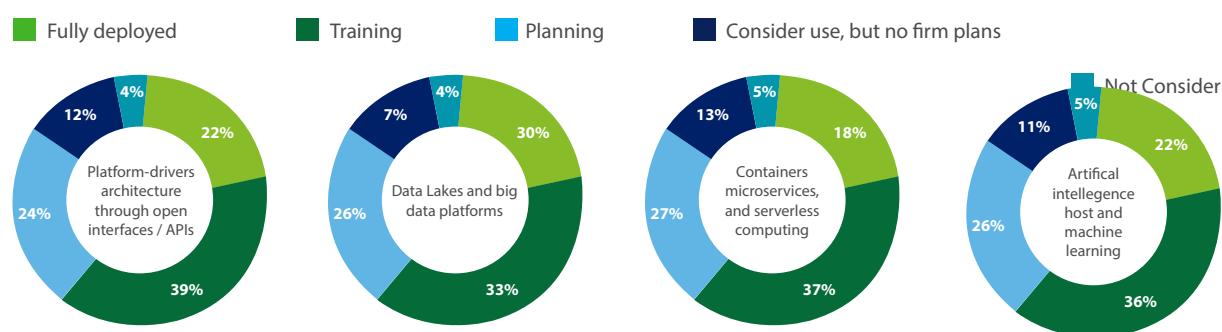
In contrast, robotic process automation (RPA) and AI in banking are advancing rapidly, with RPA bringing productivity gains and AI enabling intelligent insights on customers, compliance, and operations.

Figure 4. Plans to use digital technologies

Most important technology area to organization



Plans to use digital technologies in the next 12 month



Source: ICT Enterprise insights 2018/19 - Financial Service and payments: ICT Drivers and Technology Priorities of corporate banks, retail banks payments and financial market firms, Ovum.

Total may not add to 100 percent to 100 percent due to rounding.

We expect some banks and capital markets firms to begin monetizing their technology expertise as-a-service in 2019, turning cost centers into profit centers. For example, Nasdaq's SMARTS Market Surveillance solution, used by exchanges and regulators in 65 markets, analyzes traders' emails and instant messages along with transaction data to ensure market conduct.

We expect cloud will increasingly be viewed to deliver the following technology priorities: core modernization, data management with storing and processing, and AI-powered analytics for effective decisions. Increasingly sophisticated and diverse offerings from cloud providers seem to be making public cloud migration an attractive option for many, not just for efficiencies but also for agility and scale. Capital One plans to move its core business and customer applications to the public cloud by 2021. However, concentration risk of migrating systems to a single cloud provider and concerns about security are factors to keep in mind.

Risk: Strengthening the core with new-age defenses

The risk management function within banks appears to be entering a new stage in its evolution, as digitization, automation, and externalization gain ground. Banks in recent years have made notable advances in how they assess and mitigate risk across the enterprise.

However, current systems may be less equipped to manage emerging risks. Algorithms, for instance, enable smarter decisions, but their growing complexity and prevalence could be problematic. Before such applications become the norm, risks from, and to, the algorithms, in addition to the ethics of AI, should be addressed at the design stage itself. Also, as more data is used in AI applications, concerns over data protection and privacy could escalate institutions' risk profile. Increased connectivity with third-party providers and the potential for increased cyber risk is another growing concern.

What's more, traditional risks will likely not subside anytime soon. Going forward, personal accountability is expected to be a key focus area in mitigating conduct risk, such as market abuse or leakage of consumers' confidential data. And amid rising geopolitical risk, most banks are increasingly

concerned that cyber-attacks from state actors could be potentially disruptive to the industry.

To infuse a strategic mind-set into the risk management function, banks should reassess the roles and responsibilities of the first two lines of defense. The first line of defense (the businesses) should be willing to "own" risk management without too much "oversight" from the second line. Meanwhile, the second line (e.g., the compliance or risk function) should be a true "enabler" of business and be more strategic in its approach. In the United States, the Federal Reserve Board's guidance to extend risk ownership to business leads emphasizes the need for the first line of defense to proactively manage risk.

"Smarter" risk management through the life cycle, especially in the early stages of risk identification and prevention, should be another focus area. This generally requires not only better technology and analytics to spot risks before they bubble up but also processes, preventive controls, and people to enable smart risk identification. ANZ has built a proof of concept that combines deep learning techniques with customer data to better assess risk—and do so on a more dynamic basis than the earlier static models.

This can be equally applicable to cyber risk. Recent cyber-attacks have indicated a need for many banks to understand their ecosystem and the inherent vulnerabilities that exist within their networks.

While some banks have made good progress, the next generation of cyber risk management should consider a threefold approach: (1) Going back to basics by strengthening controls such as IT asset management, patch and vulnerability management to spot and control risks as boundaries expand with cloud and open architecture; (2) applying analytics and AI at scale, while recognizing these technologies can also be used by bad actors—think of smart encryption algorithms and self-morphing/intelligent malware that can spiral out of control; and (3) building a resilient infrastructure to withstand systemic disruption and long periods of stress.

Source: Deloitte ■



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CONTEMPT OR CONFIDENCE?

*How to understand the
new trend in weddings: Lip-
syncing Bride and Groom*

By Markos Retta

I was at a wedding the other day where I saw the bride and the groom lip-syncing respective favorite songs chosen for one another. I was standing very close and kind of liked the way the bride performed — for that was what it was, a performance.

Later in the day, though, I was not sure of what I really thought about it all. Brides and grooms have always been shy to even look at the people gathered for the festivities organized in their honor. Here though the bride and the groom were entertaining one another and us, too. The female singer to whose tune the bride was lip-syncing was saying, “I have no one that I love the way I love you.” And the groom, who stood by and listened, seemed to be feeling great, enjoying the praise as well as the public confession of her love for him, and quite reassured by it, too, perhaps.

The public declaration of one’s love for one’s bride or groom may complement the whole purpose of a wedding, which is the public declaration of the founding of a family in the presence of family, friends and kin and kith.

However, there was something very liberal about the way they did it,

There was something fundamentally secular about it while a wedding ceremony usually had a spiritual aura about it, which engulfed the parties concluded a very serious convenient of a life time. Songs seemed to take center stage, performed as they were by the very stars of the show. And the sense of solemnity was nowhere to be felt or seen in the demeanor of the bride and groom.

It was boldly assertive, as if they were defiant to give the ceremony the weight their elders gave. It is as if they were saying, what is the big deal?

They wanted none of the traditional shyness, which attended the mood. It was as if they were saying, “Nothing to be ashamed of, boy! This is all about us, right? So make sure to enjoy it.”

But, if they were so dismissive of any traditional restraints enough to feel so liberated, I wonder how they felt about the people gathered in the hall. Speaking of this particular couple, I certainly was happier for the bride — and the groom, too. Even as I write this, I am glad that she was happy and was enjoying it. Yet, I cannot dismiss the nagging thought that a fundamental shift was taking place. Mind you, the shift is not necessarily in how we thought about weddings or about their cost, as has been the case over the decades when our elders dismissed weddings as wasteful, and the feast, a foolishness where the dolt invites strangers to eat and drink at his expense.

“

They wanted none of the traditional shyness, which attended the mood. It was as if they were saying, “Nothing to be ashamed of, boy! This is all about us, right? So make sure to enjoy it.”

“

By contrast, the lip-syncing take-ups of the couple seem to point to a margin of indifference about how the guests felt. Also, it hinted at the self-centeredness of the couple, their preoccupation with the feelings for each other more than anything else.

Here, the bride and the groom, the most important people of the ceremony, were trying to have fun and to publicly declare their love for each other. As I already told you, I saw little problem with the lip-syncing and all. I am just wondering how the couple, with all that confidence in their hearts, felt about us, the people who came to honor them. I think may be that kind of confidence necessarily entailed a dismissive attitude toward the crowd attending the solemn ceremony. Yeah, I think the ceremony, because of the daring attitude of the lip-syncing couple, lost some of its solemnity. I'm not sure; and I don't want to be right about this point, either. But, I cannot help feeling that the shyness of the newly-wed couples of the not-so-distant past was, perhaps, a demonstration of one's concern with the people attending the ceremony — a concern with how the people thought and felt; a concern, too, about whether one was rightly conducting the ceremony. By contrast, the lip-syncing take-ups of the couple seem to point to a margin of indifference about how the guests felt. Also, it hinted at the self-centeredness of the couple, their preoccupation with the feelings for each other more than anything else.

Perhaps, to that extent, they were detached from the people they invited to witness their marriage.

Now, what is wrong with that?

May be they brought out so boldly and in public what usually happens and is often kept within the bounds of the private realm. It is as if they tried to interact with one another as they would do when they were alone. And that, I think, was the problem. It was a foolishly self-centered way to behave at a ceremony prepared as much for the guests as for oneself.

Perhaps.

But, perhaps, too, the guts displayed in lip-syncing one's favorite love song to one's bride or groom and that in the presence of hundreds of guests should show us not just self-centered preoccupation with private feelings, but a bolder way of asserting each-other's devotion before the guests who came precisely to witness the marriage, which they all wished to be a bond for life — like that of Abraham and Sara. ■



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በአስተሳሰብ ምጥቀት - በአሰራር ልቀትህ - አቻ ያልተገኘልህ፣
 በጀንበር ፍጥነት ልክ - ክንፍ እንዳበቀለ - ለሁሉ ደራሽ ነህ፣
 ወንድማለም ደጉ! - እንደምድር አሸዋ - ተዘርተህ ባገሩ፣

ልቆ እንደሚበራ - እንደ ሰማይ ኮከብ - ፈካህ በየደብሩ፤
በስም በግብር ቢሉ - ከሌሎቹ ልቀህ - ባገር ላይ ከብረሃል፤
እንኳንስ በወገን - ባህሩን ተሻግረህ - በባዕድ ታውቀሃል፤
እስከ ሽበት ዘመን - ከኩራት ክብር ጋር - በስኬት ፍረሃል፤
ብልህ ነህ የኔ ዓለም - ሀብታም ደሃ ሳትል - ለሁሉ ደርሰህል።

ከስልጣኔ ጋር..... አብረህ በመጓዝህ ስንት ዓለም አይተናል፤
ደጅ ከቆመ ሳጥን..... አንዲት ካርድ አጉርሰን ሺ ብሮች መዝዘናል፤
ዘመን ትንግርት ሆኖ..... እንደኛው ሲገርመን..... ሌላኛው ይመጣል፤
በሞባይላችን..... ብራችንን አቅፈን..... መዘር ጀምረናል።

ዋርካ ነህ የኔ ዓለም!

እልፍ የሀገር ባላባት..... ሺ እማወራዎች..... ለወግ የበቁብህ፤
ዘርተው እየቃሙፈትላቸውን ለብሰው.....ወልደው የሳሙብህ።
ሜዳና ገደሉን..... መስኩን አደይ ኳለውአገር ባንተ አጌጠ
ጎዳናውን ሞላው..... ሰማይ የነካ ፎቅ..... እየተገለጠ።
ሰማህ ወንድም ዓለምይሄው እኔም አንተም ሰባዋን ዘለቅን፤
በፍቅርና ስኬት..... እድሜን እንደ ሾርባ አለቅልቀን ጠጣን፤
ታማኝ ነህ ዓለሜየናት ያባት ጓዳ የማይጎድል ማጀት፤

የጦቢያ ንግድ ባንክ.....

በእድሜ ዓለም ጉዞ ውስጥ በቀናው ጎዳና ካንተ ጋር ነው ማርጀት

አንዱአለም አባተ

የባንኩን 75ኛ አመት የአልማዝ ኢዩ ቤልዩ በዓል በማስመልከት በተዘጋጀው የግጥም ውድድር 2ኛ የወጣ።

ለልጆችን የተሻለ ነገ ዛሬ እንቆጥባለን

የትምህርት ቁጠባ
ሂሳብ ይጠቀሙ

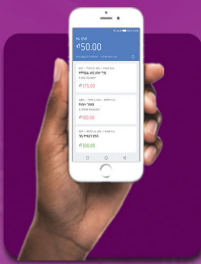


የኢትዮጵያ ንግድ ባንክ
Commercial Bank of Ethiopia

ፖ.ሣ.ቁ: 251 አዲስ አበባ ኢትዮጵያ
ስልክ: 251 11551 50 04 / 551 2452
ፋክስ: 251 11 551 2166
ነጻ የስልክ መስመር: 951
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ድረ ገጽ: www.combanketh.et
ስዊድስ ቁጥር: CBETETAA

CBE Birr

ባሉበት ሁሉ አለ!



የስልክ አየር ሰዓት ለመመላት



በወርልድ ረሚት በኩል የሚላክ ገንዘብ በሞባይል ስልክ ለመቀበል



ስልክ ቁጥር በማስገባት ብቻ ገንዘብ ለመላክ



የሀገር ውስጥ የበረራ ትኬት ለመቁረጥ



የውሃና የመብራት የአገልግሎት ክፍያ ለመፈፀም



በአቅራቢያዎ በሚገኙ ወኪሎች ገንዘብ ወጪና ገቢ ለማድረግ



ለ DStv ክፍያ ለመፈፀም