BUSINESS AND ECONOMY FORUM 5

Estimating Economies of Scale in Banking Industry: The case of Ethiopia.

Two Incoming Challenges in the Coming Two Years for the Commercial Bank of Ethiopia to Watch.

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Opinions expressed in the articles of this magazine do not necessarily reflect the policy of the Bank.
Banks are expected to ascertain how they are doing in terms of bank soundness and other measures. As the leading Bank in the industry, the Commercial Bank of Ethiopia is expected to be even more attentive of such issues. In this issue of Mudaye-Neway, two articles are presented that we have found very much informative in relation to the major point raised here.

“The presence or absence of significant economies of scale has important public policy implications for bank regulation.” It is according to the Author of the first article, Mr. Hailemariam Nega. We hope that you will find what commercial banks really need for healthy functioning and how CBE is doing in relation to this measure.

In the other article incorporated in our Business & Economy Column, Prof. Alemayehu Geda tips us with the two incoming challenges the CBE need to be aware of and be ready to come up with a policy response for that. What are the challenges and the required response is briefly discussed in this article.

The other interesting article of the issue came under Investment Forum. The writer of the Article Mr. Digafe Tufa, presents us with a data “Compared to estimated production level, total domestic demand forecast, total sugar production in 2014-15, 2015-16, 2016-17 and 2017-18, is projected to be 21 percent, 55 percent, 97 percent and 137 percent higher than the total domestic demand in respective years.” How this is going to be achieved as well as the current demand and supply mismatch is thoroughly discussed in this article.

Our Legal Column as usual has come up with an interesting legal issue. Our Contributor Mr. Gezu Ayele, selected this title taking in to consideration the crucial role Lease Laws play in relationship between banks and their customers during credit provisions.

We hope that you will enjoy the short story presented in the Literature Column.

Enjoy your reading! But don't forget to send us your feedbacks. Your articles for all our columns are very much appreciated.
According to a report by the International Monetary Fund (IMF), with 10.9 average annual economic growths Ethiopia has joined the five fastest growing global economies. This figure is twice that of the Sub-Saharan African countries annual economic growth. This tremendous achievement is undoubtedly the result of the right policies, programs and implementation strategies of our developmental state.

Among the institutions in the forefront to support the country’s development programs, the contribution of the Commercial Bank of Ethiopia (CBE) is immense. In the past few years we have designed various schemes including deposit mobilization strategy to encourage saving in the country. As a result, the national saving versus GDP which was only 9.5 percent at the beginning of the five years Growth and Transformation Plan (GTP) (base year 2010), reached 22.5 percent in 2013/14. This growth has exceeded the target set for the end of the planned period. The deposit mobilization strategy and the action plan to enhance foreign exchange earnings have played a crucial role for our success.

The money collected through deposits and loan collection have been channeled towards financing the planned private and public development projects which are expected to play crucial role in the country’s development endeavors. We have been also able to collect foreign currency from various sources that enabled us to cover international payments for purchases made for major development projects in the GTP.

The Commercial Bank of Ethiopia has also responsibility of expanding access to banking services as well as introducing new bank products, services and technologies. We have accomplished a lot during the GTP period. The number of branches which was only 220 in 2009/10 has now reached 965. In the 2014/15 budget year alone we have managed to open 133 new branches across the country. Due to the aggressive branch expansion and other marketing activities, the customer base of the Bank which was only 2.2 million during the GTP base year has now reached 10.7 million. During the 2014/15 budget year alone it was possible to realize the opening of 2.5 million new accounts.

The new bank products like interest free banking, women special saving account and youth and teen accounts have played a remarkable role in realizing the Bank’s deposit mobilization strategy. Consequently, it has been possible to recruit nearly 1 million new account holders under these newly introduced bank products.

Our initiatives to bring about effective technological transformation in the banking sector of the country have brought clearly visible results. We have been able to deploy 644 ATM and 1,886 POS terminals for use in various service areas. The number of mobile and internet banking subscribers is increasing each day since we have announced the products. In all these initiatives we have ensured that we are playing our pioneering role efficiently. We are also well aware that we have a lot to do in realizing our objective of bringing a cashless society.

To realize the Bank’s vision, mission and business targets, the human resource development program has been give a central position in the past five years. CBE’s Center of Excellence, inaugurated this year will have a great contribution in enriching the Bank’s workforce. The center is also expected to be a model to the country’s financial sector and provides training for the industry.

Lastly, the long awaited project to build the Bank’s head quarter has got approval and a contract agreement has been signed with a well reputed Chine’s construction company. The head office building we are preparing to build will help us to maintain our legacy of pioneering the construction of buildings that serve as land marks in our capital. The head office building will have a 46-story (198 meters high building) and two 5-story podiums. When the construction is finalized after four years, the headquarter will be one of the tallest buildings in East Africa.

Bekalu Zeleke
President
Commercial Bank of Ethiopia

Forex ATM
Mobile Banking
Internet Banking
Visa Cards
POS

All Under One Roof

The Bank You Can Always Rely on!
ESTIMATING ECONOMIES OF SCALE IN BANKING INDUSTRY: THE CASE OF ETHIOPIA
(A PANEL DATA ANALYSIS)

By: HAILEMARIAM NEGA and RAHEL BELAY

1. INTRODUCTION

The existence and extent of economies of scale in banking industry has been the interest of both policy makers and academicians. Literally speaking, the production process for a specific good or service exhibits economies of scale over a range of output when average cost (i.e. cost per unit of output) declines over that range. If average cost (AC) declines as output increases, then the marginal cost of the last unit produced (MC) must be less than the average cost. If average cost is increasing, then marginal cost must exceed average cost, and we say that production exhibits diseconomies of scale (Koutosyiannis, A, 1994). In other words, doing things more efficiently with increasing size or speed of operation is considered as economies of scale.

The key objective of commercial banks, as a business entity, is maximizing profit. Banks would therefore need to monitor profitability ratios such as returns on assets (net profit to average total assets) and return on equity (net profit to average capital) which reflects the average return investors get from holding bank capital. As Jeffrey, A (1988) posits, among the primary determinants of bank profitability is the extent that production economies and resultant cost reduction can be achieved as firms expand their operation. In an industry there are two types of production economies; economies of scale which resulted from firm size and economies of scope which is related with the joint production of two or more products. Moreover, if a bank becomes efficient in providing services, there will be a tendency to expand its own market share.

The existent and extent of economies of scale at financial institutions comes from the empirical estimation of cost functions. To this end applied empirical research, with flexible functional forms, has enabled numerous studies of efficiency measures in banking to be estimated. (Richard, 1999). But, still there exists a problem in estimating economies of scale in banking industry which is mainly emanated from formulation of representative cost function. And this is due to the absence of argued definition of bank output. Generally, there are two alternative approaches in defining output of a bank: production approach and intermediation approach. As Robert, I etal(2011) Summarized, under the intermediation approach banks are considered as producers of services related to their role as an intermediary in financial markets. That is, they collect deposit from...
surplus segment of the economy and transfer the fund to borrowers. Hence deposit is considered as an input like labor and capital and the volume of earning asset considered as an output. On the other hand, under production approach banks are considered as producers of services related with loan and deposit. In this case capital and labor is considered as inputs and the number of deposit and loan account is treated as output. Hence, Interest expense of a bank is excluded from the total cost under the production approach.

Theory of firm literatures hypothesized different factors which result in economies of scale in production. Making better use of specialized labor & capital and spreading fixed cost over large levels of output are usually considered as predominant sources of economies of scale. Consistent with the theory of firm, specialized labor, computer & telecommunication technology, and information are the sources of depository institutions economies of scale. (Jeffrey A, 1988).

2. STATEMENT OF THE PROBLEM

Literatures showed that the size of commercial banks has been increasing from time to time in almost all economy. And, the nearly universal increase in the size of banks over the past two decades is, for some prima facie evidence of scale economies in banking. But even in the absence of opportunities for scale economies, banks still have reasons to grow large. On one hand, the desire to rule a large corporate empire can drive bank managers to grow their firms beyond the size that maximizes shareholder value. On the other hand, gaining access to subsidies that the government bestows on very large banks is a powerful incentive for banks to grow inefficiently large at the taxpayers’ expense (De Young, R, 2013).

Commercial banks’ operating in Ethiopia has been increasing in number and size in recent periods. The number of commercial banks has doubled in the past 10 years. Currently there are eighteen commercial banks and one specialized bank (Development Bank of Ethiopia) are operating in the country (NBE database).

<table>
<thead>
<tr>
<th>Table 1: Selected Banking Sector Indicator in Ethiopia</th>
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</thead>
<tbody>
<tr>
<td><strong>Particulars</strong></td>
</tr>
<tr>
<td>Total Loan</td>
</tr>
<tr>
<td>Total Asset</td>
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<tr>
<td>Total Deposit</td>
</tr>
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<td>Total Capital</td>
</tr>
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</table>

*Percentage change*  
| Total Loan | - | 39.4 | 174.9 | 196.5 |
| Total Asset | - | 113.5 | 123.2 | 167.8 |
| Total Deposit | - | 92.5 | 159.1 | 197.6 |
| Total Capital | - | 54.2 | 414.7 | 139.5 |

*Source: Own computation based on National Bank of Ethiopia data base*
Moreover, the amount of loan disbursed, deposit mobilized and capital of commercial banks increased by 11.4, 14.8 and 19.0 fold respectively at the end of June 2014 as compared with the fiscal year 1999/00 (Table 1). This raised the question whether banks are increasing their size to gain economies of scale or an empire building. Did the cost of producing loans and deposits decline as banks grew larger? If so, by how much? And for what size bank did costs stop declining, that is, what was the ‘minimum efficient scale’ for a bank?

Furthermore, the presence or absence of significant economies of scale has important public policy implications for bank regulation. Financial sector regulator, mostly central bank, has the mandate to control for the healthy functioning of financial sector. And if a financial crisis occurs in a country, mostly the government bailout failed banks. The recent financial crisis can be taken as an example. Hence, the financial sector regulator must follow the efficient functioning of commercial banks. In addition, as “Too-important- To-Fail” (TBTF) has become a central issue in banking industry, policy makers worried about the size of a bank. In particular, the recent financial crisis has brought forward concerns about banks that regulators deem TBTF in the sense that their failure would pose serious systemic risks, which has prompted calls for regulatory limits on banks. However, Stern and Feldman (2009) argued that policymakers should consider the loss of any scale benefits when determining the net benefit of limiting the size of banks. Hence, assessment of the extent of scale economies is important for gauging the costs and benefits of any policy intervention to control the size of banks. Likewise, National Bank of Ethiopia (NBE), central bank of the country, has the mandate to supervise and issue policy, directive & procedures related to banking business. Hence, the NBE must follow the efficient functioning of commercial bank which is operating in Ethiopia.

In addition, the Growth and Transformation Plan (GTP) gives higher emphasis to the financial sector in general and the banking sub-sector in particular. The sector is believed to mobilize saving that is needed to finance mega projects, such as sugar corporations, railway construction, hydroelectric dams and etc, which the government gives a priority that believed to speed up the economic growth and development. This clearly shows us the importance of the sector. Hence, banking sector efficiency has a paramount importance.

Finally, although the existence and extent of economies of scale in the banking industry is deeply studied in developed economy, there is only limited number of studies conducted in the case of developing countries. Moreover, to the best of the researcher’s knowledge, there is no published research work in the case of Ethiopia.

3. THEORETICAL FRAMEWORK

Banking theoretical literatures’ posit that estimation of scale economy is preceded by formulation of a representative cost function. After estimating a representative cost function, one can infer about the existence of dis/economies of scale by summing up cost to output elasticity’s.

4. RESEARCH METHODOLOGY

4.1. DATA TYPE, SOURCE AND METHOD OF COLLECTION

The study used both primary and secondary
type of data. For primary type of data, the study used own experience & knowledge and an interview with experts in selected commercial banks and National Bank of Ethiopia. For secondary type of data, the study used audited commercial banks financial statement, National Bank of Ethiopia banking database, World Bank database and IMF data base. In addition, different Books, Internet and journals are used.

4.2. METHOD OF DATA ANALYSIS

In the way to estimate scale economies in Ethiopian Banking industry, the researcher used both descriptive and econometric analysis.

4.2.1. DESCRIPTIVE ANALYSIS

The researchers use descriptive statistics for the analysis of the collected data. It is used because of its simplicity & clarity to see what is going on in the industry at a glance and helps to support the finding we get in econometric analysis. The analysis of the secondary data generated from different sources is graphically represented.

4.2.2. ECONOMETRIC ANALYSIS

In order to answer the important question we posed in the introduction section, the paper employed the following data and model.

4.2.2.1. DATA

The span of our panel data covers the time period 2008/09 to 2013/14 for nine banks\(^2\). The researcher selected banks based on data availability. The researcher has used quarterly data taken from sampled banks operating in the country and classified the period into different sub – periods. The researcher did this for two reasons: first it helps to see the trend of scale economies in the industry and second it makes the estimation more powerful as the data become balanced in the whole sample period.

\[\ln(TC_{it}) = \alpha_i + \alpha_{it} \ln Q_{1it} + \alpha_{2it} \ln Q_{2it} + \beta_{1it} \ln p_{1it} + \beta_{2it} \ln p_{2it} + \beta_{3it} \ln p_{3it} + \epsilon_{it}, \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots \ldots
4.3. ESTIMATION PROCEDURE
Theoretically, a nice model is the one which passes through three necessary steps. That is, pre estimation test, model estimation and post estimation test (Diagnostic test).

A) PRE ESTIMATION TEST (PANNEL UNIT ROOT TEST)
In panel data analysis unit root test is the basic test in order to select estimation method. If the variables have a unit root, then applying GMM estimation / panel VAR is best method other than random/fixed effect. Therefore, we have tested stationarity of variables using LLC unit root test.

B) ESTIMATION OF THE MODELS
After testing for unit root of the variables, the researcher specified and estimated both Random effect and Fixed effect models as all the variables found stationary. However, both techniques failed to pass the post estimation (diagnosis) test of cross-sectional interdependence. Hence, the researcher used Panel Generalized Least Square (GLS) to correct the problem of cross sectional interdependence. Using the general model of regression suggested above in equation 2 and employing Panel GLS, the researcher estimated sixteen different models.

C) POST-ESTIMATION (DIAGNOSTIC CHECK)
In panel data models, mostly, cross-sectional interdependence test has to be undertaken to confirm the fitness of estimated model. Hence, after estimating the models, the researcher checked for the validity of the models by testing cross-sectional interdependence using Breush – Pegan Lagrangian Multiplier test.

Moreover, the researcher tested whether the estimated cost function is well behaving or not. It is done by checking whether the cost function is non-decreasing in prices and output.

4.4. DECISION RULE FOR THE EXISTENCE OF DIS/ECONOMIES OF SCALE
For a multi- product cost function, overall Economies of scale, then, is computed as the sum of the individual cost elasticity’s (Brown, Caves, and Christensen, 1979) or \[ \sum_{i} \alpha_i \]. If this sum is less than, equal to, or greater than 0, then the cost function is non-decreasing in prices and output.
one, then there are increasing (economies of scale), constant (minimum efficient scale of production), or decreasing returns to scale (diseconomies of scale), respectively.

5. EMPIRICAL RESULT

The econometric model with different specifications was developed based on a panel data set of the sampled eight commercial banks to obtain a general picture of the cost function hence infer the existence and trend of scale economies in the Ethiopian banking industry over the whole sample period 2008/09 QI – 2013/14 QIV. In addition, different models are estimated in different sub-periods in order to see the trend of scale economies. The sub-periods include 2008/09 - 2009/10, 2010/11 - 2011/12 and 2012/13 - 2013/14. Moreover, with similar time framework, commercial banks are classified into three groups to see whether economies of scale are differing among Group I (large), Group II (medium) and Group III (small) sized commercial banks.

A) Cost function of Ethiopian Banking Industry

The cost function in equation (2) is first estimated using Random effect and fixed effect methods. But, both methods failed to pass the post estimation (diagnosis) test of cross-sectional interdependence. Hence, the cost function for the industry is estimated using Panel Generalized Least Square method. Estimated coefficients of output and price in all models found to be positive and this assures the cost function which is estimated using GLS fulfills the regularity condition posed in the methodology part.

B) Estimation of Economies of Scale in Ethiopian Commercial Banking Industry

After estimating the cost function, the researcher test for the existence of dis/ economies of scale both in the industry and within different groups. This is done by summing the elasticity’s of bank cost to output. In other words, by summing the coefficient of bank output in the cost function and test the result against constant returns to scale (minimum efficient production scale). This is done both for the industry and within different bank groups at different time period.

The result revealed the Ethiopian banking industry has been enjoying economies of scale in the whole sample period (Table 9). Moreover, similar with the industry, all bank groups found to be operating in the economies of scale region though large banks are near to the minimum efficient scale (MC = AC) than medium and small sized bank groups both in static and over-time. (Table 10 & fig 2). And medium-sized banks have relatively higher economies of scale efficiency than large and small banks. In all periods, the result is tested against constant returns to scale and rejected at 1 percent. The result found is similar with Benston (1965, 1972), Bell and Murphy (1968), which found US banks have significant scale economies for all banks, regardless of size. Regarding the relative difference in level of scale economy the result is similar with Mester (1987), Clark (1988), Humphrey (1990), Berger et al (1993) who found medium-sized banks being slightly more scale efficient than either large or small banks in case of USA banking industry.
Table 2: Summary of Estimated Economies of Scale in Ethiopian Banking Industry

<table>
<thead>
<tr>
<th>Period</th>
<th>Estimated Scale Economy</th>
<th>Test against CRS</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008/09 - 2009/10</td>
<td>0.56655</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td>2010/11 - 2011/12</td>
<td>0.85039</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td>2012/13 - 2013/14</td>
<td>0.90446</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td>2008/09 - 2013/14</td>
<td>0.80175</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
</tbody>
</table>

Source: Model 1, 5, 9 and 13

Table 3: Summary of Estimated Economies of Scale in different bank group

<table>
<thead>
<tr>
<th>Bank Group</th>
<th>Period</th>
<th>Estimated Scale Economy</th>
<th>Test against CRS</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group I</td>
<td>2008/09 - 2009/10</td>
<td>0.817</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2010/11 - 2011/12</td>
<td>0.865</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2012/13 - 2013/14</td>
<td>0.927</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2008/09 - 2013/14</td>
<td>0.850</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td>Group II</td>
<td>2008/09 - 2009/10</td>
<td>0.130</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2010/11 - 2011/12</td>
<td>0.429</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2012/13 - 2013/14</td>
<td>0.142</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2008/09 - 2013/14</td>
<td>0.323</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td>Group III</td>
<td>2008/09 - 2009/10</td>
<td>0.582</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2010/11 - 2011/12</td>
<td>0.740</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2012/13 - 2013/14</td>
<td>0.601</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
<tr>
<td></td>
<td>2008/09 - 2013/14</td>
<td>0.600</td>
<td>Rejected</td>
<td>Economies of Scale</td>
</tr>
</tbody>
</table>

Source: Model 2, 3, 4, 6, 7, 8, 10, 11, 12, 14 and 16

Figure 1: Trends in Economies of Scale among different bank groups
In addition, the result in model 5 showed that public banks\(^3\) incur higher cost than private banks in producing a unit of output. This can explain by comparing the price of inputs (labor, capital and labor) between public and private banks. In the sample period, the price of labor and capital found higher in public banks whereas price of fund is higher in private banks. Moreover, in the descriptive part, it is found that Commercial Banks Non-interest expense takes the highest share from the total expense. Therefore, higher labor and capital cost at public banks coupled with highest share of Non-interest expense at commercial banks makes public banks to incur higher cost than private banks in producing a unit of output. D.k. Malhotra (2012) also found that private banks in India are more cost efficient than public banks.

6. CONCLUDING REMARKS

The aim of this paper is to empirically estimate and show trend of scale economy in Ethiopian Banking industry. Panel of nine banks for the period spanning from 2008/09 QI to 2013/14 QIV is used for the analysis. Hence, the researcher used both descriptive and econometric analysis in order to analyze the data's collected from different sources. The descriptive analysis mainly look at overview of banking industry in Ethiopia, concentration in the industry, income and expense composition of banks, deposit mobilization & structure and loan disbursement in the industry during the analysis period. On the other hand, the econometric analysis estimate cost function and economies of scale in the industry & bank groups. To do this, the researcher employed Panel Generalize Least Square method to estimate translog-cost function thereby scale economy in the industry. Meanwhile, the effect of bank ownership in cost structure is estimated. Both the descriptive and econometric analysis found the following results.

First, The Ethiopian banking industry is characterized by high concentration in all aspects of service though it is declining in recent times. The concentration is declining because the number of banks joined to the industry has increased as the sector is highly profitable.

Second, Commercial Banks income is composed of interest and non-interest income. In recent period, the share of non-interest income is higher in private banks than public banks. Moreover, newly established banks are more responsive for NBE policy. This is explained in the period of credit cap where their income composition shows a quick shift from interest income to Non-interest income that is from 42.0 to 51.0 percent.

Likewise, total expense of commercial banks is composed of interest and non-interest expense. Due to the fact that, commercial banks deposit is highly composed of a deposit that they did not pay interest which makes price of fund very low, the share of Non-interest expense overwhelms interest expense in the industry.

Third, the amount of commercial banks output (loan disbursement and fee related activities) and deposit mobilization is increasing overtime. Moreover, in all sample period, commercial banks deposit is highly composed of a type of deposit that they pay insignificant amount of interest. The increase in number of banks, availability of loanable fund and high credit demand from the economy are the reasons for the continuous increment in loan disbursement by commercial banks in
Ethiopia.

Fourth, the cost structure of the Ethiopian banking industry is well approximated by a two-output and three-input translog cost function. All the estimated cost functions satisfied the regularity condition of non-decreasing in output and price of inputs. Coefficients of output and input price found to be positive.

Fifth, In Ethiopian Banking industry there exist economies of scale advantage. Moreover, the trend shows the industry still did not reach the Minimum Efficient Scale of production (Minimum Average cost).

Six, Group-wise scale economy estimate revealed that all bank groups in Ethiopia enjoyed economies of scale benefit over the whole period with slight difference in their level. Largest banks are near to the minimum efficient scale of production than medium and small banks. Hence, Commercial banks in Ethiopia increasing their size in support of enjoying scale economies not to build-empire with inefficiency.

The impact of Public ownership of banks on cost of operation found to be positive. Higher labor and capital cost at public banks coupled with highest share of non-interest expense at commercial banks makes public banks to incur higher cost than private banks in producing a unit of output.

7. POLICY IMPLICATION

- As commercial banks in Ethiopia reap economies of scale in the existing size, they could increase their operation size in order to reach the minimum efficient scale of production

- National Bank of Ethiopia should not restrict commercial banks to expand their size of operation.

- Minimize non-interest expense in banking operation. This would decrease per unit production (Average cost of production) thereby increase the level in economies of scale in the industry. In addition, as far as economy of scale is concerned, it would be nice for public banks to adopt private banks experience in minimizing their unit cost of production.
The CBE is the dominant bank in Ethiopia. As Table below shows CBE dominated the Ethiopian Banking scene in almost every financial indicator. In fact, the profit that CBE has made in 2012/13 for instance (Birr 8.6 billion= US $409.5 million [net profit US $281 million]) is more than three times than that of the Ethiopian Airline (Birr 2.7 Billion=about US$129, EAL, Annual Report, 2012/13) despite the latter’s huge advertisement of success and huge spending on EAL that includes the acquisition of the state of the art aircraft/technology. In simple words if we compare the profit rate of EAL (profit/invested capital) with CBE, the performance at CBE will be much higher [CBE’s return on asset and earning per equity was 4.8%, and 101%, respectively in 2012/13]. This shows that the CBE is not making a good public relation work about its performance, say compared to EAL. This is because I presume an average Ethiopian does not think that the CBE is a better performer in terms of finance than the EAL which many Ethiopians think is the best performer. Many of the young wants to be employed in EAL as his/her first choice etc. We should note in passing, however, that despite the CBEs dominant position it is actually a very small bank compared to many of the Western, and even regional African banks. For instance the total assets of CBE in 2012/13 is Birr 114.2 billion which is about US $5.4 billion. This is nothing compared to the UK’s Barclays Bank total asset of US $2.4 Trillion.

CBE Relative Performance 2009/10-2013/14

<table>
<thead>
<tr>
<th>Capital (in millions of birr)</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>12,933</td>
<td>15,949</td>
<td>18,010</td>
<td>23,346.0</td>
<td>26,437.3</td>
</tr>
<tr>
<td>Public Banks</td>
<td>7,730</td>
<td>8,718</td>
<td>9,134</td>
<td>12,046.0</td>
<td>11,821.9</td>
</tr>
<tr>
<td>(of which CBE share, %)</td>
<td>43</td>
<td>39</td>
<td>35</td>
<td>38.7</td>
<td>34.2</td>
</tr>
<tr>
<td>Private Banks total</td>
<td>5,203</td>
<td>7,231</td>
<td>8,876</td>
<td>11,300.0</td>
<td>14,615.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Branch Networks</th>
<th></th>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>681</td>
<td>970</td>
<td>1289</td>
<td>1723</td>
<td>2,208.0</td>
</tr>
<tr>
<td>Public Banks</td>
<td>273</td>
<td>483</td>
<td>675</td>
<td>869</td>
<td>1,003.0</td>
</tr>
<tr>
<td>(of which CBE share, %)</td>
<td>31</td>
<td>43</td>
<td>43</td>
<td>42.4</td>
<td>38.8</td>
</tr>
<tr>
<td>Private Banks total</td>
<td>408</td>
<td>487</td>
<td>614</td>
<td>859.0</td>
<td>1,205.0</td>
</tr>
</tbody>
</table>
### Total Resources Mobilized

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Public Banks share, %</strong></td>
<td>51</td>
<td>61</td>
<td>70</td>
<td>63</td>
</tr>
<tr>
<td><strong>Private Banks share, %</strong></td>
<td>49</td>
<td>39</td>
<td>50</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>111,425.3</td>
<td>111,425.3</td>
<td>111,425.3</td>
<td>111,425.3</td>
</tr>
</tbody>
</table>

### Loans and Advances by Lenders (by Disbursement)

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public Banks</strong></td>
<td>13,939</td>
<td>21,956</td>
<td>36,949</td>
<td>33,250</td>
</tr>
<tr>
<td>(Share of total, %)</td>
<td>48</td>
<td>52</td>
<td>66</td>
<td>61</td>
</tr>
<tr>
<td>(of which CBE share, %)</td>
<td>37</td>
<td>42</td>
<td>57</td>
<td>50</td>
</tr>
<tr>
<td><strong>Private Banks total</strong></td>
<td>14,966</td>
<td>20,252</td>
<td>19,153</td>
<td>21,002</td>
</tr>
<tr>
<td>(Share of total, %)</td>
<td>51</td>
<td>48</td>
<td>32</td>
<td>39</td>
</tr>
</tbody>
</table>

Source: Computed based on NBE, Annual Report (2013 & 2014),

Be that as it may, I think there are two incoming challenges the CBE need to be aware of and be ready to come up with a policy response for that. The first challenge relates (a) to the incipient coming of investment banks to Ethiopia in a different forms and hence the challenge to the CBE’s activity of what is called “indirect financing” by the coming of this “direct financing”. In the context of indirect financing the borrowers borrow from the financial market through a financial intermediary (e.g. banks such as CBA). On the other hand direct financing is where there is a direct connection to the financial markets (e.g. the borrower issuing securities directly on the market through financial auction (where price of the security is bid upon) or through an initial public offering. The second challenge relates to the role of mobile banking and the CBE’s relative position in that process. I will focus on the first challenge in this issue.

One interesting phenomenon in recent years is the surge of interest on Africa from global equity firms (financing firms). These are firms that will be financing investment and get equity (share) in the venture. As long as they are financing investment they are potentially serious challenges to commercial banks such as the CBE. This growing interest in Africa by equity firms led to a total deal last year (2014) of US$8 bln in such funds (comparable to the historic pick of 2007 which was US$8.3bln). In Sub Saharan Africa (SSA) alone such deals reached US$4 bln in 2014 (compared to just US$1 bln annual average for the year 2008-13). According to the Financial Times (2015) survey, about 20 percent of private equity companies express interest in Africa because of the average 5 to 7 percent growth in the continent, the low correlation of African growth with global economy; the increasingly stable political environment [notice Nigeria here], a growing middle class and diversified markets and the fact that Africa offers investors from developed countries less competitive and high return environment. In addition to these western firms there is also a growth in African institutions of equity investors. For instance pension funds in 10 African countries worth $379 bln of which $29 bln can go directly to equity investment. There is also a growing African based “sovereign wealth fund” to tap from. One illustration is what the Nigeria government set up as a
sovereign investment authority with a USD 1.3 bln fund (Sovereign Invest. authority) for equity finance. In view of new oil discoveries in our neighboring countries such as Kenya, Uganda & Tanzania, these countries may also establish such sovereign fund to avoid what economist call a “Dutch Disease” (macro economic problems and problems of what to do with money when you get a lot of money such as from a discovery of natural resource).

In line with this African trend, many big and famous equity investments firms are also becoming active in Ethiopia. George Soros; Jacob Rothschild, Madeleine Albright; Carlyle of the US equity house; KKR etc are coming to the continent in general and the Ethiopian market in particular. The famous Western financial firm, McKinley, estimate such investment in Africa may reach USD 50 bln in the next decade. In Ethiopia’s specific context, the famous New York based equity firm KKR has already invested USD 200 million in the Ethiopian flower farms last year. These are firms that could have been financed by the CBE and hence a challenge to CBE. To give you just an idea of how big the KKR is: it manages assets worth USD 96 bln today; in 15 countries, spread over 5 continents. Similarly, according to the FT, the Blackstone Group plans to build a $1.35 billion pipeline to bring gasoline to Addis Ababa; Hedge-fund manager Paul Tudor Jones is backing a $2 billion geothermal power project and Bob Geldof chairs 8 Miles LLP, a London-based equity firm that invests in Ethiopia. According to FT, 8 Miles raised a $200 million fund in 2012 and made its first investments in Ethiopia in 2013, including state-owned Awash Winery. 8 Miles plans to double production, add nonalcoholic drinks such as grape juice and increase exports. The firm also backed Ethiopian entrepreneur Eleni Gabre-Madhin in 2013 to build commodity exchanges across Africa. What makes this trend challenging for the likes of the CBE is the fact that such firms arrival is in addition to the already significant presence of banks from emerging economies (such as China, India and Turkey) that already dominating the financing landscape of Ethiopia by financing to the tune of USD 10 to 20 Billion worth of (major financing of projects).

I hope the cursory look at the coming of equity firms to Africa and Ethiopia should be a wakeup call for commercial banks such as the CBE. These firms are sophisticated, well equipped with skilled personnel and very resourceful and aggressive. This competitive advantage of them could give them an edge over the traditional mode finance in which CBE finds itself. It is high time to think ahead strategically and come up with policy response by the bank staff, the management and board of the CBE. Hoping this will trigger thinking, and to save space, I will come back to you in the next issue of the Magazine to discuss the second challenge - mobile banking.

www.brainyquote.com
1. Introduction

Sugar is produced in many countries of the world were the output is sourced either from sugar cane or sugar beet. According to a research report by Indian Sugar Industry (2013), nearly 80 percent of the world sugar is produced from sugar cane while the remaining 20 percent from sugar beet.

Ethiopia has long been producing cane sugar predominantly for domestic consumption. Currently, however, domestic production, distribution and consumption of sugar had become a central public and policy agenda owing to the growing domestic demand which surpasses the domestic production. This growing demand is partly attributed to the steadily improving income level of the society, growing population, urbanization, and other related factors.

To resolve the aforementioned meager domestic production, the country has been importing a considerable amount of sugar from abroad. Moreover, currently the country is constructing a number of sugar factories and hence, domestic production of sugar is deemed to increase which will in turn facilitate import substitution.

Nevertheless, whether sugar import substitution is viable in the near future or not remains to be a research question. This study is therefore an attempt to assess domestic production of sugar in Ethiopia thereby examine the import substitution potential of the country.

2. World supply and demand for Sugar

2.1. World Supply of Sugar

Between the periods 2009/10-2013/14, global supply of sugar, on average, amounted to 203.8 million metric tons. Of which, on average, 78.8 percent was accounted by the production of new sugar, while the remaining 21.2 percent by the beginning stocks.

<table>
<thead>
<tr>
<th>Year</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supply</td>
<td>181.4</td>
<td>191.1</td>
<td>207.1</td>
<td>221.5</td>
<td>221.2</td>
</tr>
</tbody>
</table>

Source: USDA/May 2014

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1 According to the World Bank, the population of Ethiopia increases from 66.0 million in the year 2000 to 94.2 million in 2013. Similarly, the country per capita income, measured by GNP per capita, Atlas method (current US$), increases from $120 in 2000 to $470 in the year 2013. Population living in urban area, on the other hand, increased from 15 percent of the population to 18 percent, in that order.
In the meantime, global sugar supply has been continuously growing by an average growth rate of 6.8 percent, but it slightly went down in 2013/14 vis-à-vis the preceding year owing to a marginal fall in the global sugar production.

Brazil is the leading sugar producer in the world, followed by India, China, Thailand and the United States. Taking into account the period over 2008/09-2013/14, Brazil on average constituted around 22.4 percent of the total world production, India 14.7 percent, China 7.8 percent and Thailand 5.6 percent while the United States accounted about 4.6 percent. Figure 1 depicts detailed information on sugar production by country over the period from 2008/09-2013/14.

Figure 1: Yearly average sugar production, by country (2008/09-2013/14), in 1000 metric tons

Source: Foreign Agricultural Service’s Production, Supply and Distribution (PSD) online database, 2014

Worldwide consumption of sugar has been increasing slowly from time to time. Looking at the past five year (2009-10/-2013/14) statistics, on average 160.1 million metric tons of sugar has been consumed worldwide yearly. The consumption has been increasing by an average growth rate of 2.1 percent per annum. Consequently, the total consumption of sugar in the year 2013/14 amounted to 167.5 million metric tons up from 154.4 million metric tons in 2009/10 (Table 2).

<table>
<thead>
<tr>
<th>Year</th>
<th>2009/10</th>
<th>2010/11</th>
<th>2011/12</th>
<th>2012/13</th>
<th>2013/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumption</td>
<td>154.4</td>
<td>155.5</td>
<td>159.2</td>
<td>164.5</td>
<td>167.5</td>
</tr>
</tbody>
</table>

Source: USDA/May 2014
3. Sugar import, production and demand in Ethiopia

3.1. Sugar Production in Ethiopia

Currently, Wenji, Metahara and Fincha are the only sugar producing factories in the country. The three factories altogether produced 232,357 tons of sugar in 2012/13. Metahara sugar factory is the largest producer followed by Fincha. Metahara, Fincha and Wenji, on average, produced 40.6 percent, 36.1 percent and 23.3 percent of the total sugar production in the country, respectively over the period from 2005/06-2012/13.

Trend analysis of sugar production shows that sugar production in the country has improved considerably over the past decades. For instance, in the 1950's annual average sugar production level was 27,363.8 tons. This yearly production level increased to 63,918 tons, 123,866 tons, 171,704 tons, 168,250 tons and 278,048 tons of sugar in the 1960's, 1970's, 1980's, 1990's and 2000's, respectively. Production of sugar was abated immediately after 1991/92 which signals the downside of political turmoil associated with government transition.

Starting from 2006/07, with the exception of 2008/09, the total domestic sugar production has been declining year-on-year basis. This is because; after producing for decades, the machineries of, particularly Metahara and Wenji, sugar factories become too old. Consequently, their annual production capacity starts to fall significantly. In addition to this direct adverse impact on the level of annual sugar production, the old machineries have also been causing a subsequent fall in productivity of sugar cane obtained per hectare. This is because, as the machineries become too old, the amount of sugar cane crushed per day will fall. As a result of this, sugar cane will not be harvested at the right time. Consequently, the sugar will lose considerable weight as well as its sugar content which in turn reduce the amount of sugar cane harvested per hectar.

As we can see in the above graph, Wenji/Shoa, Metahara and Fincha started production in the year 1954/55, 1960/70 and 1998/99, respectively. Their initial yearly production level was 15,843 tons, 31,083.67 tons, 52,511 tons, in that order. These sugar factories were able to improve their annual production continuously, with a slight fluctuation, for about 10 to 15 years. Afterward, either their growth
has been decelerating or remains stagnant or in the worst scenario it has been falling down. Consequently, roughly looking, after 1966/67 the performance in Wenji/Shoa sugar factory was gloomy and it is due to the establishment of new sugar factory, i.e. Metahara that the total domestic production of sugar start to grow in the coming years. Similarly, after 1983/84, owing to a steady growth in Metahara sugar factory coupled with the poor performance of Wenji, the total domestic production starts to fall. In the same manner, it is the establishment of Fincha Sugar Factory that causes a subsequent rise in the domestic production of sugar.

### 3.2. Demand for sugar in Ethiopia

According to data obtained from Ethiopian Sugar Corporation, currently the annual average per capita sugar consumption demand in Ethiopia is around 10.13 kilogram. Per capita sugar demand, however, fairly varies across regions. It is relatively higher in Somale, Harari and Dire-Dawa while in Oromia, Benshangul-Gumuz and Gambela it is comparatively low (table 6).

As revealed in table 3, the annual per capita sugar consumption in Somale is 126 percent higher than per capita consumption in Affar, Oromia, Benshangul-Gumuz and Gambela regions.

The demand for sugar by household is expected to rise noticeably in the future. Taking into account the difference in sugar consumption culture across regions and population forecast for all regions, the researcher estimated the sugar demand to reach more than 900 thousand tons by 2017/18. The main assumption made in estimating the sugar consumption demand by household is that consumption culture of the society doesn’t change much in a fairly short period of time. Consequently, annual per capita consumption demand of each region is taken from the survey conducted by the Ethiopia Sugar Corporation. This is multiplied by the expected number of population in each region to get the total annual consumption by household (Table 4).

<table>
<thead>
<tr>
<th>Regions</th>
<th>Per capita sugar demand</th>
<th>Household sugar demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Somale</td>
<td>22.32</td>
<td>140.6</td>
</tr>
<tr>
<td>Harari</td>
<td>17.16</td>
<td>70.4</td>
</tr>
<tr>
<td>Dire Dawa</td>
<td>17.16</td>
<td>68.6</td>
</tr>
<tr>
<td>Addis Abeba</td>
<td>14.04</td>
<td>57.6</td>
</tr>
<tr>
<td>Tigray</td>
<td>9.96</td>
<td>41.8</td>
</tr>
<tr>
<td>Amhara</td>
<td>9.96</td>
<td>42.8</td>
</tr>
<tr>
<td>SNNP</td>
<td>9.00</td>
<td>44.1</td>
</tr>
<tr>
<td>Affar</td>
<td>8.52</td>
<td>41.7</td>
</tr>
<tr>
<td>Oromia</td>
<td>8.52</td>
<td>41.7</td>
</tr>
<tr>
<td>Benshangul-Gumuz</td>
<td>8.52</td>
<td>38.3</td>
</tr>
<tr>
<td>Gambela</td>
<td>8.52</td>
<td>40.0</td>
</tr>
</tbody>
</table>

Source: Ethiopian Sugar Corporation, 2013 sample survey while for household sugar demand the researcher used household size from CSA survey (Inter Censal Population Survey (ICPS) 2012)
Similarly, industries that use sugar in their production process are expected to grow considerably in the upcoming years. Taking into consideration, past and current consumption trend of industries, population growth, the number of existing industries and projected entry of new industries that uses sugar as an input, Sugar Corporation estimated industries demand in the coming years as follows:

**Table 5: Industries Sugar Demand Projection (2013/14- 2017/18)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sugar demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>889,404.6</td>
</tr>
<tr>
<td>2015-16</td>
<td>910,957.9</td>
</tr>
<tr>
<td>2016-17</td>
<td>932,622.5</td>
</tr>
<tr>
<td>2017-18</td>
<td>954,462.7</td>
</tr>
</tbody>
</table>

*Source: Own computation based on Ethiopian Sugar Corporation per capita sugar demand survey*

As show in the above table, both sugar demand by households and industries are projected to rise. Consequently, the total national sugar demand in the year 2017-18 is projected to reach 1.2 million tones.

**Table 6: National Sugar Demand Projection (2013/14 - 2017/18)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Sugar demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>953,989.56</td>
</tr>
<tr>
<td>2014-15</td>
<td>1,010,964.60</td>
</tr>
<tr>
<td>2015-16</td>
<td>1,079,904.92</td>
</tr>
<tr>
<td>2016-17</td>
<td>1,160,803.48</td>
</tr>
<tr>
<td>2017-18</td>
<td>1,253,724.72</td>
</tr>
</tbody>
</table>

*Source: Ethiopian Sugar Corporation*
3.3. Sugar Imports of Ethiopia

Ethiopia has been importing a considerable amount of sugar especially since the past few years. The main driver of this growing

**Figure-3 Volume of sugar import, in millions of kg**

![Graph showing the volume of sugar import from 2000 to 2013](source)

As shown in the graph, sugar import from abroad has been the mounting domestic demand which exceeded domestic production. Figure 3 depicts the volume of sugar imported during the period from 2000 to 2013.

**Source: Ethiopian Revenue and Customs Authority**

Sugar import has revealed a dramatic increment starting from a very low level. For instance total sugar import was merely 2.8 million kilogram in 2000 which has rose dramatically and reached 366.1 million kilogram at the end of 2013. Moreover, Sugar import has consistently and notably increased since 2004 with the exception of downward trend observed during 2005 and 2009. Similarly, foreign exchange requirement has increased from USD 0.9 million (0.1 percent of the total import bill) in 2000 to USD 208.7 million (1.9 percent of the total import bill) in 2013 (figure 4).

**Figure-4 value of sugar import, in millions of USD**

![Graph showing the value of sugar import from 2000 to 2013](source)

As displayed in the above graph, sugar import bill has increased markedly in recent years. This makes total sugar import bill in 2013 account for 87.7 percent of the total annual export proceeds obtained from leather & leather products, meat & meat product and fruit & vegetables in 2012-13.

**Source: Ethiopian Revenue and Customs Authority**

As shown in the graph, sugar import has revealed a dramatic increment starting from a very low level. For instance total sugar import was merely 2.8 million kilogram in 2000 which has rose dramatically and reached 366.1 million kilogram at the end of 2013. Moreover, Sugar import has consistently and notably increased since 2004 with the exception of downward trend observed during 2005 and 2009. Similarly, foreign exchange requirement has increased from USD 0.9 million (0.1 percent of the total import bill) in 2000 to USD 208.7 million (1.9 percent of the total import bill) in 2013 (figure 4).

As displayed in the above graph, sugar import bill has increased markedly in recent years. This makes total sugar import bill in 2013 account for 87.7 percent of the total annual export proceeds obtained from leather & leather products, meat & meat product and fruit & vegetables in 2012-13.

**Source: Ethiopian Revenue and Customs Authority**

Obviously sugar import could be a short term policy measure in narrowing the gap between domestic demand and domestic production. However, according to Ethiopian Sugar Corporation, the cost of sugar import has been increasing over time associated with higher world sugar price and exchange rate fluctuation. Consequently, Ethiopian
government has been subsidizing imports of sugar during the last three years so as to meet the domestic demand. Moreover, cost of sugar production in Ethiopia falls in between USD 0.26 – USD 0.31 per kg. While import price is around 0.58 USD per kg excluding costs for insurance, transport, transitors, surveyor and warehouse. Furthermore, higher sucrose content makes domestically produced sugar superior over imported sugar.

4. Is supply shortage of sugar to cease?

Owing to the recent renovation and expansion projects production of existing sugar factories were enhanced. According to Ethiopian Sugar Corporation, wenji, Metahara and Fincha are expected to produce around 154,886 tons, 130,000 tons and 232,265 tons of sugar, respectively in 2014/15.

Apart from the existing sugar factories, the government is undertaking massive sugar projects at various sites. These sugar projects are expected to significantly change the amount of sugar supply in the country and beyond.

Kesem project (before expansion) and Kuraz-5 can produce 153,000 tons and 556,000 tons of sugar per year respectively at their full capacity which is 18 percent higher than the total production by the existing sugar factories in 2012-13. Therefore, this new projects are expected to transform the production of sugar in the country.

The table below shows future production of sugar in Ethiopia. Accordingly, Ethiopia's
5. SOME OTHER BENEFITS OF DOMESTIC SUGAR PRODUCTION

✓ EMPLOYMENT CREATION

Employment creation is one of the advantages of import substitution. In Ethiopia, a lot of employees are working in the sugar industry. As of March 2014, 11,967 permanent employees and 41,655 seasonal workers are working in the sugar industry. So far the sector has created 53,622 job opportunity for citizens.

✓ INCOME FOR OUT GROWERS

There are also out growers who can produce and supply sugar cane to sugar factories. For instance, out growers around Wenji sugar factory who are producing sugar cane on 8,000 hectares of land and around Tendaho-I who are expected to produce sugar cane on 4,000 hectares of land. In addition to being a source of income for the out growers, it is also expected to indirectly benefit other segment of the society as well.

✓ SOURCE OF INCOME FOR THE GOVERNMENT

Another advantage of the sugar factories emanates from their tax payment to the government. In 2012/13, the sugar corporation contributed two billion four hundred seventy eight million nine thousand eight hundred fifty four birr (2,478,009,854 birr) through direct and indirect tax.

✓ SOURCE OF ETHANOL AND MOLASSES AND ELECTRIC POWER

Ethanol produced from sugar cane juice & molasses, and blended with gasoline, will have a great importance in reducing the petroleum import bill. This is not the matter of choice for poor countries like Ethiopia which import petroleum even currently when world price of fuel is increasing rapidly from time to time. In addition, ethanol is also used in various alcoholic beverages as an input. Sugar factories are also contributing electric power. For instance, Tendaho (phase1) which is expected to start production this year will have a capacity of producing 80 Mega Watt per annum.

✓ AS SOURCE OF FOREIGN EXCHANGE

Last but not least, sugar can be a potential source of foreign exchange for the country through export.

Table: 7 projected sugar production level

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</tr>
</thead>
<tbody>
<tr>
<td>Data</td>
<td>1.22</td>
<td>1.67</td>
<td>2.28</td>
<td>2.96</td>
<td>3.75</td>
<td>4.61</td>
</tr>
</tbody>
</table>

Source: Draft projection by Ethiopian sugar Corporation
6. AVAILABLE INCENTIVES AND OPPORTUNITIES FOR DOMESTIC SUGAR PRODUCERS

Sugar production is one of the potential investment areas among the ample investment opportunities in manufacturing sectors\(^2\).

- **Exemption of capital goods and construction materials from custom duty:** Any investor engaged in the production of sugar may import duty free capital goods & construction materials necessary for the establishment of a new enterprise or the expansion or upgrading of an existing enterprise.

- **Exemption of Income Tax:** Any investor who invests to establish a new enterprise in manufacturing sugar shall be entitled to income tax exemption. If the investment is in Addis Ababa and Special zone of Oromiya surrounding Addis Ababa, the income tax exemption is for 5 years and in other area they are entitled for 6 years tax holiday. Similarly, there will be income tax exemption for upgrading and expansion of an existing enterprise. Moreover, there is additional income tax exemption for investors exporting their products or service.

- **Vehicle Incentive granted for investors engaged in manufacturing of Sugar:** According to vehicle incentive directive No.4/2005, investor who invest in the manufacturing of sugar in regions other than Addis Ababa and special zone of Oromiya surrounding Addis Ababa, can import two pick up, two delivery van truck and two dump trucks with no import tax.

- **To encourage investment in selected activities, different types of incentives related to land are granted to investors:** These incentives are percentage discount on initial lease prices, provision of grace period of payment, provision of land for free etc.
In addition to those incentives provided by the government, the ample water resource, the very suitable climate & soil type to produce sugar cane and cheap labor etc. can also be considered as an incentive to produce sugar in Ethiopia.

Sugar factories can produce from 8-9 months of the year with the suitable climatic condition (mainly associated with small rainy season). In Mauritius, the country well known in producing sugar, factories can only operate for 5 months of the year. In India and in some countries from South America and North America, factories produce only for 7, 5 and 3 months of the year, respectively. Moreover, in Ethiopia, 2000 quintals of sugar can be produced within one hectares of land, but in most of other countries it is not more than 1000 quintals.

7. **MAJOR challenges**

Some of the major challenges in the production of sugar thereby affect import substitution and sugar exports negatively are the following:

- **Financial limitation:** As installation of new sugar factories or expansion of the existing sugar factories requires huge finance, the limited financial capacity of the country is a major factor that hampers the timely accomplishment of the sugar projects.

- **Limited private sector participation:** The participation of the private sector is insignificant as it require high startup capital. The average investment capital of domestic investors in Ethiopia, in the year 2012/13, was merely 10.4 million birr, while foreign investors on average invested 81.6 million birr per project. To invest on sugar factory, on the other hand, requires a huge capital. For instance, the total investment capital required by Hibir Sugar Factory, a private share company, is 2,300.4 million birr.

In addition, some private investors in Ethiopia believed that return from sugar investment may require relatively longer time. Consequently, they don’t want to take risk or they want quick money. In fact, installing sugar factories may be completed within 3-4 years; this time span is not as such long. We observed that, even to complete a simple building it may take this much time. So, misperception by the private investors is one reason for limited investment in the area.

- **Problem in distribution of sugar:** In addition to problem associated with sugar production, problem associated with the distribution of sugar in the country may create shortage and opt for import from other countries. The distribution of sugar in Ethiopia is administered through quota. Supply to each region, industries is based on the predetermined quota by Ethiopian Sugar Corporation and Ministry of Trade. However, hording and smuggling from one region to another to get additional profit is deemed to exist among the participants in the distribution of sugar. This is partly associated with the quota system allocated to regions. The quota allocated to each region is too old and doesn’t consider the population increment and change in the sugar consumption culture of the society.
Consequently shortage of sugar is there. In addition, Merchandise Wholesale & Import Trade Enterprise is also not at its efficient level to distribute sugar to regions timely and swiftly.

☑ Bureaucratic delay in providing the available incentives

Production of sugar in Ethiopia, on the other hand, has been slightly improving over the last decades though there has also been a slight decline year-on-year basis in the recent past years. Nevertheless, production is expected to significantly rise in the coming years due to the current renovation in the existing sugar factories coupled with the ongoing ample sugar development projects. Consequently, the domestic production is expected to be far more than the total domestic demand. As a result, sugar import substitution is highly likely to take place in a very near future. This surplus sugar production together with a huge and highly growing global demand, sugar can be a good source of foreign exchange for Ethiopia.

Apart from its import substitution potential and export opportunity, domestic production of sugar is a source of income for large number of employees and out growers, source of income for the government, source of ethanol & electric power. This calls for a strong follow up and support from the government side to avoid delay in project implementation that duly

8. Conclusion

In Ethiopia, demand for sugar has been growing from time to time and it is expected to grow further in the coming years. These rising demands posed challenge for the existing sugar factories in satisfying the expanding demand. As a result, the country has been importing sugar from other countries to fill the gap between domestic demand and the inadequate domestic production. However, sugar import and the associated foreign exchange requirement have been rising from time to time. Furthermore, government is incurring additional cost in subsidizing the sugar import. Consequently, there is a need to expand the domestic production of sugar to satisfy domestic demand and thereby substitute import.

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Apart from its import substitution potential and export opportunity, domestic production of sugar is a source of income for large number of employees and out growers, source of income for the government, source of ethanol & electric power. This calls for a strong follow up and support from the government side to avoid delay in project implementation that duly
affects import substitution and export plan of the nation.

9. **Recommendation**

The researcher learned that the country is on the right track in enhancing domestic production of sugar. To this effect, the following recommendations are forwarded.

- **Sugar Corporation should strictly follow the timely accomplishment of the projects.** The government is required to make sure that adequate finance is availability so as to prevent delay in the projects.

- **To encourage the participation of private sector, financial guarantee to international foreign financiers (such as WB, African Development Bank, PTA bank etc) and/or to the foreign investors who want to work jointly with the domestic investors should be considered by the government (NBE).** To reduce risk of default, the Bank may ask concert collateral from the domestic investors. In addition, inputs on credit basis should be sought.

- **The government may create vertical integration to encourage private sector participation.** In this case the government encourages investors to initially participate as out-growers in the existing sugar factories extensively in a larger capital, thereby develop their financial capacity overtime and to take lesson (experience) from the existing sugar factories and establish their own sugar factory overtime.

- **Though there are a lot of incentives, bureaucratic delay in providing the available incentives should be avoided.**

- **There should be an institutional setup, which can play as an advisory unit at least in the priority investment areas and take the responsibility to advise them when they face challenges and give them direction.**

- **In the mean time, as the domestic production of sugar increases, the quota system should be avoided.** To ensure enough supply of sugar to domestic consumers supply should be on-demand basis.

- **Fertilizer production from the wastes of sugar production, such as filter cake and ashe, should be considered in the future.** This will, at least, reduce imports of fertilizer that sugar factories use in their production process.

- **Despite expected significant rise in sugar production after 10 to 15 years, production capacity of the sugar factories will significantly fall.** Therefore, the country should think of capital investment on machineries to sustain or improve the production capacity of the sugar factories over time.
አስፈላጊ ያላገኝ በአ=
MUDAYE NEWAY
COMMERCIAL BANK OF ETHIOPIA

የባቢሎን ሰረገላ ሰሪው ባንሲር በጣም ተስፋ ይረጋገሩት ነበር፡፡ በቱን ከከበበው አጭር የግንብ ላይ ተቀምጦ በሃዘን ተውጣ ደቆስቆስ ይለች ቤቱንና በከፊል የተጠናቀቀ ሰረገላ የቆመበት ጋላጣ የማምረቻ ስፍራ አሻግሮ ይመለከታል፡፡ ወደሱ እየሰረቀች መመልከቷ የቤቱ ምንጭት ባዶ መሆኑንና የ쳬ው ደቁ ለማጠናቀቅ መቁረጥ፣ ማስተካከል፣ ቢቀጥቀጥ፣ የሰረገላው ጠርዝ አካባቢ መወጠር፣ አሽቶና የሰረገላ ለማጠናቀቅ መቁረጥ፣ ማስተካከል፣ ቢቀጥቀጥ፣ የሰረገላው ጠርዝ አካባቢ መወጠር፣ አሽቶና ከቀብቶ ለሀብታሞቹ ደንበኞቹ ማስረከብ እንዳለበት እያስታወሰው ነበር፡፡ ወፍራምና ፈርጣማ ሰውነቱ ግንቡ ላይ እንደተዘፈዘፈ ነው፣ አዕምሮው በዝግታና በትዕግስት መልስ ሊያገኝለት ላልቻለው ችግር መፍትሄ እየፈለገ፡፡ ጭንቅላት የሚበሳው ኋይለኛው የኤፍራጥስ ሸለቆ ያለርህራሄ ይወርድበታል፡፡ ግንባሩ ላይ የላብኩልልታዎች ተጠረቃቅመው ሳይታዩ የተጠቀለለው የደረት ፀጉሩ ውስጥ ተንጠባጥበው ተሰወሩ፡፡ ከቤቱ ባሻገር የንጉሡን ቤተ-መንግስት የከበበው ረጅም የተደላደለ ግንብ ተገሽሯል፡፡ በቅርብ ርቀት የሚታየው የቀለም የተቀባው የቤል ቤተመቅደስ ከሰማዩ ጋንወብቆ ይታያል፡፡ በዚህ ግርማ ሞገስን በተላበሰ ነበር ነበር የርሱና የሌሎችም የርካታ ሰዎች ንፅህና እና እንክብካቤ የጐደላቸው ተራ ቤቶች የሚገኙት፡፡ ከሰመመኑ ያልተጠበቀው የተለመደ የሙዚቃ ቅኝት የአንዳች የሚ隗 ያለአንዳች ስርአት ተመሰቃቅለውና በከተማዋ ይጭቀው የሚገኙባት፡፡ ዞር ሲል ፈገግታ የማይለየው የቅርብ ጓደኛው የቤል ሙዚቀኛውን አየ፡፡ "ውዱ ጓደኛዬ ፣ አማልክቱ በረከታቸውን ያወርዱልህ ዘንድ ይወርዱ ሲል እመኛለሁ" አለዎን ኰቢ፡፡ "ዳሩ ቸርነታቸውን ስላበዙልም ስራ መስራት እስከማቆም የደረሰህ ትመስላለህ፤ በብልጽግናህ እኔም ይጥ ይደስቻለሁ፡፡ ዧህ ለኔም እንድታካፍለኝ ይሄለሁ፡፡ መቼስ ቦርሳህ ዳጐስ ባይልልህ ኖሮ በዚህን እና የሰዓት የሰረገላ ስራህን ትተህ አትቀመጥም ነበር፡፡ እባክህ ዛሬ ምሽት ከሚካሄደው የመኳንንቱ ቢግስ ከማገኘው የምከፍልህ ሁለት መሐልቆች ይቀሩ እንዳይምስልህ፣ ተመላሽናቸው፡፡ ፉ,"ማስች ሊኖረኝ የሚችለው ጠቅላላ ሀብቴ እሱ የነበረው ሰው ሰም ሊኖረ ያረስ ነበርMinnesota University adventurer in the 1980s. He established the University of Minnesota’s first environmental studies program. "The first step in solving a problem is to understand it. If we don’t understand the problem, then we can’t find a solution. It’s important to learn from others who have solved similar problems. That’s why I encourage my students to travel and work abroad." "I have always been interested in environmental issues. When I was a child, I used to spend hours exploring the woods near my home. I was fascinated by the different plants and animals that lived there. As I grew up, my interest in nature only grew stronger. I decided to study environmental science in college, and I continue to pursue this field throughout my career."
ብቻ ይሆን ነበርና፡፡ ማንም ሰው ደግሞ ያለውን ሀብት በሙሉ አያበድርም፤ ሊይ ደግሞ ያለውን ጨምድና ያክርብ ጓደኛውም ቢሆን እንኳን፡፡

"ምን! ጮኸ ኰቢ በድንጋጤ ፤ "አንዲትም ሰክል በቦርሳህ ሳትይዝ ነው እንደ ሃውልት ግንብ ላይ የምትገሸረው! ለምን የጀመርከውን ሰረገላ አታጠናቅቅም? በሌላ በምን ዘዴ ሆድህን ልትሞላ ይቻልሃል? አሁንስ የማውቅህ ወዳገን አልመስል አልከኝ፡፡ ያ ሁሉ ኋይልህ የት ገባ? እንዲህ ቅስምህን የሰበረውስ ምን ይሆን? አማልክቱ አንዳች መከራ አወረዱብ ይህን?" 

"በርግጥም የአማልክቱ ቁጣ መሆን አለበት ኣለ ባንሲር በመስማማት፤ "ህልም ብጤ መሆኑ ነበር የጀመረኝ፡፡ የተትረፈረፈ ሲብት ያለኝ ሆኜ ያየሁ መሰለኝ፡ ቲሌ ላይ በመሐለቆች የታጨቀ ከባድና ያማረ ቦርሳ ተንጠልጥሏል፡፡ ለለማኞች እንደዋዛ የምበትናቸው ሰክሎች ነበሩኝ ፤ ለባለቤቴና ለራሴም የሚያማምሩ ልብሶችን የገزواሁባቸው የብር መሐልቆችና ለወደፊቱም የብር መሐልቆችን ላለማውጣት እንዳልሰጋ የሚያደርጉኝ የወርቅ መሐልቆች ነበሩኝ፡፡ የፍስሐ ፀዳል በላዬ ላይ ፈሶ ነበር ! ባለታየኝ ኖሮ ባተሌ ጓደኛህ ባልመሰልኩህ ሲበር፡፡ ጨምዳዳ ፊቷ ተወልውሎ ፈክታ የነበረችው ባለቤቴም እንዲሁ የሰርጋችን ሺሞን የነበራትን ፈገግታ የተላበሰች ልጃገረድ መስላ ነበር፡፡ ወጣቶች የደስታ ጊዜን አብረን አሳልፈናል፡፡ አዋቂዎች ከሆን ወዲህም የቅርብ ወዳጆች እንደሆንን አለን፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡ ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በብልጽግና የሚገኘውን ደስታ ለማወቅ ሲልም ይኖርብናል፡፡ ኤዲያ! አሁን እኛ ከመጋጃ እንሻላለን? የምንኖረው በዓለም ከሚገኙት ከተሞች በሆን ስለምንኖር ስለዚህ ቁጆይ ብንወያይ መልካም ነው፡፡ ልጆች ሳለን እ왜ቅት ሄምቅሰም ቄስ ትምህርት ቤት ገብተን ነበር፡፡ ወጣቶች የደስታ ጊዜን አብረን አሳልፈናል፡፡ አዋቂዎች ከሆን ወዲህም የቅርብ ወዳጆች እንደሆንን አለን፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡ ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡ ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡ ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡  ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡  ለረጅም ሰዓታት ዝርተን ገቢያችንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡  ለረጅም ሰዓታት ዝርተን ገ巨星ንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የረካን ዓይነት ሰዎች ነን፡፡  ለረጅም ሰዓታት ዝርተን ገ巨星ንን እንደልባችን በመበተናችን ስንረካ ዝነረናል፡፡ ባለፉት ዓመታት በርካታ መሐልቆችን ያገኘን በህይወታችን የɾɾɾ
“እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠጣ呼ばれ:\"እንዖስ የሚለው ወገን ያለው ወርቅ ከእኔ ከም ሰው ይህ ያስጠጣ\" ከእኔ ከም ሰው ይህ ያስጠتجا
"እንደ ሚያውቁት ቀርበን ለመማር ከጣርን ምናልባት የምንማረው አንዳች ምስጢር ይኖራል" አለ ባንሲር በሃሳብ እንደተዋጠ፡፡ የሃታ ጠዋት ራሱ ወልስ፤ "የጥንቱ ወዳጃችን እርካድን በወርቅ ሰረገላው ሲያልፍ አይችው ነበር፡፡ እንደማንኛውም ሰው ገርምሞ ቢያልፈኝ ባልደነቀኝ ነበር፡፡ ለሆነ አላፊ አግዳሚው እንዲያየው ለረጅም እጁን በማወዛወዝ በፈገግታ ለኮቢ ሙዚቀኛው ቈዳጅነቱን ገለጸ፡፡ የከመላዋ ባቢሎን ባለፋጋ ከሙሉ የከበረ እንደሆነ ሊው የሚነገርለት" አለ ባንሲር በሀሳብ እንደተዋጠ፡፡ ይጉጠ የተረፈው ባለፋጋ ከመሆኑ የተነሳ ንጉሱ ግምጃ በታ Beetle የሚጠይቀው ከርሱ ነው ይባላል………….

"ያን ያህል?" አለ ባንሲር አቋርጦት፤ "��ለማ ሥፍራ ባገኝው ወፍራም ቦርሳውን የምመነትፈው ይመስለኛል፡፡ "የማትረባ!" አለው ኰቢ በተግሳጽ፤ "የሰው ሃብቱ ቦርሳ ውስጥ አይደለም ያለው፡፡ ሲጐድል የሚሞላው የማያቋርጥ የወርቅ ጅረት ከሌለው ወፍራሙ ቦርሳው ወዲያውኑ ይራቆታል፡፡ እርካድ ያህል ቢያባክን ቦርሳውን ያለማቋረጥ የሚሞላለት ገቢ አለው፡፡ " ገቢ፣ ጉዳዩ እሱ ነው" ብሎ ጮኸ ባንሲር፤ " Geile ሳለሁ ወደ ቦርሳዬ የሚፈስ ገቢ ቢኖረኝ በወደድሁ፡፡ እርካድ አንድ ሰው እንዴት ገቢ ሊያገኝ እንደሚችል ማወቅ አለበት፡፡ መንካት ዓይነቱ ዘገምተኛ እእምሮ ላለው ሰው ግን ምሲጢሩን በሚገባ ግልጽ ለማድረግ የሚቻለው ይመሰልሃል?" እንደሚመስለኝ እውቀቱን ለልጁ ኖማሲር ያካፈለው ይመስለኛል?" ሲል መለስ ኰቢ፡፡ "መጠጥ ቤት ከሆነ ወደ ነነዌ ሄዶ በነበረበት ጊዜ ያላባቱ እርዳታ በከተማዋ ከናጠጡት ከበርቴዎች አንዱ መሆን ὅ ولو ለ каталог ያልነበር?" የጋሪ ሰሪው የባኒሲርና የሙዚቀኛ ጓደኛው ኮቢ ወደጥነት ጓደኛቸውና የናጠጠው የባቢሊን ሀብታም እርካድ ዘንድ ያደረጉት ጉuzu የተሳካ ይሆን? የቦታ ጥበት ታሪኩን እስከመጨረሻው ለመተረክ አላስቻለንም፡፡ በቀጣይ ህትመታችን እጅግ አጓጊውን እንዲሁም አስተማሪነቱ ሰሁሉቱ ጓደኛሞች ብቻ ሳይሆን ይልቁንም ለኛ በዚህ ዘመን ለምንኖር በሆነውን ምዕራፍ ይዘን እንቀርባለን፡፡ ትልቁ ምክራችን ግን በጆርጅ ተገለን በአረፉ አይኔ ሀጎስ "ወርቅ የማፍራት ጥበብ" በሚል ርዕስ የተተረጎመውን መጽሀፍ ሙሉ ክፍል እንድታነቡ ነው፡፡ መልካም ያልተወጢ ከሆነ ወደ ነነዌ ሄዶ በነበረበት ጊዜ ያላባቱ እርዳታ በከተማዋ ከናጠጡት ከበርቴዎች አንዱ መሆን ὅ ولو ለ каталог ያልነበር?" የጋሪ ሰሪው የባኒሲርና የሙዚቀኛ ጓደኛው ኮに基 ወደጥነት ጓደኛቸውና የናጠጠው የባቢሊን ሀብታም እርካድ ዘንድ ያደረጉት ጉuzu የተሳካ ይሆን? የቦታ ጥበት ታሪኩን እስከመጨረሻው ለመተረክ አላስቻለንም፡፡ በቀጣይ ህትመታችን እጅግ አጓጊውን እንዲሁም አስተማሪነቱ ሰሁሉቱ ጓደኛሞች ብቻ ሳይሆን ይልቁንም ለኛ በዚህ ዘመን ለምንኖር በሆነውን ምዕራፍ ይዘን እንቀርባለን፡፡ ትልቁ ምክራችን ግን በጆርጅ ተገለን በአረፉ አይኔ ሀጎስ "ወርቅ የማፍራት ጥበብ" በሚል ርዕስ የተተረጎመውን መጽሀፍ ሙሉ ክፍል እንድታነቡ ነው፡፡ መልካም ያልተወጢ ከሆነ ወደ ነነዌ ሄዶ በነበረበት ጊዜ ያላባቱ እርዳታ በከተማዋ ከናጠጡት ከበርቴዎች አንዱ መሆን ὅ ولو ለ каталог ያልነበር?" የጋሪ ሰሪው የባኒሲርና የሙዚቀኛ ጓደኛው ኮに基 ወደጥነት ጓደኛቸውና የናጠጠው የባቢሊን ሀብታም እርካድ ዘንድ ያደረጉት ጉuzu የተሳካ ይሆን? የቦታ ጥበት ታሪኩን እስከመጨረሻው ለመተረክ አላስቻለንም፡፡ በቀጣይ ህትመታችን እጅግ አጓጊውን እንዲሁም አስተማሪነቱ ሰሁሉቱ ጓደኛを与え ሳይሆን ይልቁንም ለኛ በዚህ ዘመን ለምንኖር በሆነውን ምዕራፍ ይዘን እንቀርባለን፡፡ ትልቁ ምክራችን ግን በጆርጅ ተገለን በአረፉ አይኔ ሀጎስ "ወርቅ የማፍራት ጥበብ" በሚል ርዕስ የተተረጎመውን መጽሀፍ ሙሉ ክፍል እንድታነቡ ነው፡፡ መልካም ያልተወጢ ከሆነ ወደ ነነዌ ሄዶ በነበረበት ጊዜ ያላባቱ እርዳታ በከተማዋ ከናጠጡት ከበርቴዎች አንዱ መሆን ὅ ولو ለ каталог ያልነበር?"
አባልCHASE ምርታዎቹ መታgoritም ከ ከሪ ይህ ምርታዎቹ ከንጉ ያዛ በስታች በእር ከሚያ ከማግ የሚወስዎቹ ከወጣ የሚባሉ የሚወስዎቹ ከጆች እና ከጉዳማው ያለቻ ያወጣ ያለቻ
The single most effective way to get rich

In other words, a project manager could earn $50,000 per year and be richer than a doctor earning $250,000 per year — if the project manager has a higher net worth by saving and investing more over time.

By: Kathleen Elkins

Contrary to popular belief, you don’t have to be an expert about personal finance to get rich.

You don’t need to use fancy economic jargon or know this year’s “hottest stock.” You don’t have to come from an affluent family, and you don’t even have to earn a massive paycheck.

For most people, it all boils down to one thing: investing.

“On average, millionaires invest 20% of their household income each year. Their wealth isn’t measured by the amount they make each year, but by how they’ve saved and invested over time,” writes Ramit Sethi in his New York Times bestseller, “I Will Teach You To Be Rich.”

“In other words, a project manager could earn $50,000 per year and be richer than a doctor earning $250,000 per year — if the project manager has a higher net worth by saving and investing more over time.”

Sethi gives an example of the power of investing just $10 per week:

After five years (assuming an average 8% return), you would have $3,295, and after 10 years, you would have $8,136. And that comes from simply setting aside a little over a dollar a day.

Putting away $50 a week would result in
$16,473 after five years and $40,678 after 10 years. Imagine how much money would accumulate if you set aside a bit more each week, and did that for several years.

The earlier you start, the better.

This chart from JP Morgan Asset Management, which shows the power of taking advantage of compound interest from an early age, explains why it’s so important to get started now and invest consistently, even if you think you don’t have enough money to make a difference:

The above example is for illustrative purpose only and not indicative of any investment. Account value in this example assumes a 7% annual return. Compounding refers to the process of earning return principal plus the return that was earned earlier.

You don’t need to be rich to invest, yet so many of us fail to get started managing our money because we’re intimidated or don’t know where to start. Fear of losing money is also a common concern: “That’s fair,” writes Sethi, “Especially after market losses during the global financial crisis, but you need to take a long-term view. Despite wild rides in the stock market, with a long term perspective, the best thing you can do is start investing early.”

Investing is not as complicated or daunting as we make it out to be. The simplest starting point is to invest in your employer’s 401(k) plan; make sure to take full advantage of your company’s 401(k) match if they offer one.

Next, consider contributing money towards a Roth IRA or traditional IRA, individual retirement accounts with different contribution limits and tax structures (which one you can use depends on your income). If you still have money left over and are hungry to continue investing, you can research low-cost index funds, which Warren Buffett recommends, and look into the online investment platforms known as «robo-advisers.»
LEGAL FORUM

1. መግቢያ

በኢትዮጵያ ህገ መንግስት አንቀፅ 40(3) መሰረት የገጠርም ሆነ የከተማ መሬትና የተፈጥሮ ሀብት የመንግስትና የህዝብ ብቻ ነው። መሬት የማይሸጥ የማይለወጥ የኢትዮጵያ ብሄሮች በሄረሰቦች እና ህዝቦች የጋራ ንብረት መሆኑ በግልፅ የተደንግጓል። ህገ መንግስቱ በዚህ አንቀፅ ሌሎች መብቶችን የዘረዘረ ቢሆንም ለዚህ ፅሁፍ አላማ በህገ መንግስቱ አንቀፅ 40 (7) የተቀመጠው ዴንጋጌ በተለይም የሊዝ መብትን በዋስትና የማስያዝ ብድር የመጠየቅን መብት በተወሰነ ሁኔታ ያስቀምላል። በዚህ የህገ መንግስት ድንጋጌ መሰረትም ማንኛውም ኢትዮጵያዊ በጉልበቱ ወይም በገንዘቡ በመሬት ወይም ለሚገነባው ቋሚ ንብረት ለሚያደርገው ቋሚ መሻሻል ሙሉ መብት አለው። ይህ መብት የመሸጥ የመለወጥ የማውረስ የመሬት ተጠቃሚነቱ ዕ showc ንብረቱን የማንሳት የሚለትነትን የማዛወር ወይም የካሳ ክፈያ የመጠየቅ መብትን ያካትታል ። ይህ ንዑስ አንቀፅም የመሬት ተጠቃሚነትን በተመለከተ ዝርዝር ህግ እንደሚወጣ በመጥቀስ ሌሎች ህጎች በመሬት የመጠቀም መብትን በተመለከተ ዝርዝር ሁኔታዎችን ሊወስኑ የሚችሉበትን ከሌሎች ፈቅዷል። የከተማ መሬትን በሊዝ ስለመያዝ የወጣው አዋጅ ቁጥር 721/ 2004 ሊዝ መብትን በተመለከተ የከተማ ላይ የሚያገኙበትን ስርዓት ከመወሰኑ ከሆነ የወጡ የሊ즈 መብት ተጠቃሚዎች በመሬቱ ላይ የሚኖራቸውን መብት በመዘርዘር ያስቀምጣል። ይህንን አዋጅ ለማስፈፀም የወጣው ደንብም ቢሆን አዋጁን መሰረት በማድረግ የሚወጡ ዝርዝር ከሌሎች ሇማስቀመጥ የሊ즈 ባለመብቱን መብት ይስቀምጣል። አዋጁም ሆነ ደንቡ መውጣቱን ተከትሎ የተቀመጡ ሇ ኢ ት ዮ ጵ ያ ን ግ ድ  ባ ን ክ ( ኤ ል  ኤ ል  ቢ ፣  ኤ ል  ኤ ም ) - የደንበኞች ግንኙነት አቶርኒ የሚያጎናፅፋቸው መብቶች ባጭሩ በህገ መንግስቱ በግልፅ እንደተመለከተው ግለሰቦች በካፒታል ወይም በጉልበታቸው በመሬት ላይ ምንም አይነት መሻሻል ሳያደርጉ በመሬት የመጠቀም መብትን ብቻ በማናቸውም መንገድ ማስተላለፍ እንደማይችሉ ነው። የከተማ ቦታን በሊዝ ስለመያዝ በወጣው አዋጅ ቁጥር 720/2004 አንቀፅ 2(2) በግልፅ እንደተመለከተው ለአንቀፅ 2(3) የመለት ከጊዜ ገደብ በተገደበ ውል መሰረት የከተማ ሁል የመጠቀም መብት የሚገኝበት የመሬት ይዞታ ለማስተላለፍ እንደማይችሉ ነው ይላል። ይህን ኘክር በግልፅ እንዳስቀመጠው የህገ መንግስቱ የተቀመጠው መሬት የማይሸጥ የማይለወጥ መሆኑን ነገር ግን ግለሰቦች በመሬት ከም እና የአሰራር ተግዳሮቶችን ከማስጨበጥ ህጉ የሰጠውን መብትና ግዴታ እና የሊ즈 መብትን በዋስትና የማስያዝ መብት ወሰን እና ምንነትን ለመፈተሽ ነው።

2. የሊ즈 መብት ይሠረገ ለማስቀመጥ የመብት እና
3. A lessee may transfer his leasehold right or use it as collateral or...
ወረቀቱ የሚሰራው የሊዝ ውሉን በተዋዋለው ሰው የህግ ሰውነት ያላቸው እና የተለየው የህግ ኃላፊነት ፌለሰቡ የተቋቋመው የግል ማህበር በህግ የተለየው ኃልስ ᥐን እጥረት ካልሆነ በስተቀር ግለሰቡ እና የሚጠየቅበት አጋጣሚዎች ይኖራሉ። በዚህን ገዴ በማህበሩ ስም ለሚጠየቅ ብድር ማስያዣነት እውጥቶ ማህበሩ የቤተሰብ ስለሆነ ብቻ ይህን የሊዝ በቦታው ላይ በማህበሩ ስም የተሰራ ቤት እና ካርታ የሊዝ የምስክር ወረቀት በማውጣት እንዲሁም እንደስለጂ በራሱ እና በቤተሰቡ የተቋቋመ ኃላፊነቱ ፌለሰቦች ስም ሆኖ እያለ በሊዝ ቦታው ላይ ያው ግለትን ይዘቶች የሚኖሩት ሰነድ ነው። ዲሄ እና የሚጠየቅ ወረቀት ከነአያቱ የቦታው ጠቅላላ የሊዝ ዋጋ የምስክር ወረቀት ላይም ቦታ በሊዝ የተፈቀደለት ወረቀት እንደሚሰጂው ይደነግጋል። በዚህ ሐል የፈረመ ሰው በስሙ የተዘጋጀ የሊዝ የይዞታ አዋጁ አንቀፅ 16(4) በግልፅ እንደተቀመጠው የሊዝ በሊዝ ያገኝ በመሆኑን የሚገለጽ የሊዝ የምስክር በተጨማሪም የሊዝ መብት ተጠቃሚው መሬቱን በተሰጣቸው ወገኖች መካከል መፈረም አለበት። ከዚህ ወገኖችን ግደታ ግልፅ፣ ህጋዊ እና ሊፈፀም የሚችል ሲሆን ። የሰጡ ሲሆን፣ ውሉ ህግ በሚፈልገው አይነት (form) የተደረገ ሲሆኑ እንዲሁም የተዋዋሉት ወገኖች ለመዋዋል ችሎታ ያላቸው ሲሆኑ ። የሚሆ እና ልቃዳቸወን ደረፅ የማዛወር መብት የሌላቸው እንደሆነ የሊ즈 የመሸጥ እና ባለቤትነቱን ወደ መሬት ግንባታ ያልተፋመረበት ከሆነ በራሳቸው ጨረታ ለእተገቡ የሚችሉ እና ባለቤትነቱ የያዙት የሊዝ መብታቸውን በአዋጅ ቁጥር 97/1990 መሰረት እና የሚችል አይደለም። በተለይም ባንኮች ይህን መብቱን በዋስትና ባንኮች በሚይዙበት ጊዜ ተግባራዊ የመጠየቅ መብት አለው። ስለሆነም የሚንቀሳቀስም ለብራት አከፋፈል ይረዳው ዘንድ ሲሆን በዚህ ቁሁኗም በዚህ ሁኔታ ላይ በግልፅ እንደሚታወቀው የዋስትና ውል ህጋዊነት ይታያል? የሌለ ይህን መብትን ዴምት የሌለ ይህን ዴምት የሚችሉ እስካል የቅርብ ከሆነ ባለገንዘብ ባንክ የሚፈልገው እዳው እንዲከፈል በተወሰነው ጊዜ ሳይከፈለው ቢቀር ከሰላሳ ቀናት ያላነሰ ማስጠንቀቂያ ለባለዕዳው በመስጠት ባለተቀጢ ሐክ ብር ድንጋጌ ቢኖርም የማይንቀሳቀስ የሚገባ ማንኛውም የዋስትና ውል ህጋዊነት ይታያል ይህን መብት በዋስትና ባንኮች በሚይዙበት ጊዜ ተግባራዊ የመጠየቅ መብት አለው። ስለሆነም የሚንቀሳቀስም ለብራት አከፋፈል ይረዳው ዘንድ ሲሆን በዚህ ቁሁኗም በዚህ ሁኔታ ላይ በግልፅ እንደሚታወቀው የዋስትና ውል ህጋዊነት ይታያል? የሌለ ይህን መብትን ዴምት የሌለ ይህን ዴምት የሚችሉ እስካል የቅርብ ከሆነ ባለገንዘብ ባንክ የሚፈልገው እዳው እንዲከፈል በተወሰነው ጊዜ ሳይከፈለው ቢቀር ከሰላሳ ቀናት ያላነሰ ማስጠንቀቂያ ለባለዕዳው በመስጠት ባለተቀጢ ሐክ ብር ድንጋጌ ቢኖርም የማይንቀሳቀስ የሚገባ ማንኛውም የዋስትና ውል ህጋዊነት ይታያል ይህን መብት በዋስትና ባንኮች በሚይዙበት ጊዜ ተግባራዊ የመጠየቅ መብት አለው። ስለሆነም የሚንቀሳቀስም ለብራት አከፋፈል ይረዳው ዘንድ ሲሆን በዚህ ቁሁኗም በዚህ ሁኔታ ላይ በግልፅ እንደሚታወቀው የዋስትና ውል ህጋዊነት ይታያል?
እነዚህ የሚስማወን ነወን ሁኔታ እና የአንቀፅ 24(6) በግልፅ እንደተመለከተው ውል ላይ ይጋግጠል። ይህ ሳይሆን ቀርቶ ግን ዋስትና ሰጪው እና አበዳሪው ተቋም በተዋዋሉት ውል ላይ በድፈናው የሊዝ መብቴን በዋስትና የሚል ቢሆን ተጠቃሚው በመሬቱ ላይ ያሉ ግንባታዎችን በጠቅላላው እንደያዛቸው ይቆጠራል። በሊዝ አዋጁ በአንቀፅ 24(6) በግልፅ እንደተመለከተው ውል ላይ የተገነባውን ህንፃ በሌላ በኩል ለተለያዩ ብድሮች በመጀመሪያ ደረጃ ᯫስትናነት በተናጠል ማስያዝ ይችላል ማለት ነው። በዚህም ሁኔታ በአንድ በኩል በመሬቱ የመጠቀም መብት ሳይኖረው በመሬቱ ላይ ምን

6. የሊዝ መብት ከብት ውስጥ የሸጥ ተጠቃሚው ሰጥቷል

ወወ መብት በዋስትና የማስያዝ ወሰን የሊዝ መብትን በዋስትና የማስያዝ ግር በተመለከተ ወገኖች ጥንቃቄ ወይም ከተፈላገ ዋስትናው የሚገባው ጉዳዮች አሉ። እነዚህ ጉዳዮች በተለይም የሸስ የሚመለከቱ ናቸው፡፡ ለወወ ለተለያዩ ብድሮች በመጀመሪያ ደረጃ ᯫስትናነት በተናጠል ማስያዝ ይችላል ማለት ነው።
አይነት ግንባታ ሊያካሂድ ይችላል የሚለው ጉዳይም
ከፍተኛ ጥያቄ የሚያስነሳ ነው። ስለሆነም ይህ ጉዳይ ሊዳኝ የሚችለው ህንፃውንም ሆነ በመሬት የመጠቀም መብቱን በዋስትና የያዙት ተቋማት ለይም ግለሰቦች የህንፃው ዋጋ እና እንዲሁም በመሬቱ የመጠቀም መብቱን በዋስትና የያዘው ግለሰብ ᰍሚ የተከፈለውን የሊዝ ዋጋ ያህል ብቻ ይሆናል ማለት ነው። ይህም የሚሆነው ህንፃወቹ በዋስትና ተጠቃሚወች የሚሸጡ ከሆነ ብቻ እንጂ በህንፃው ላይ የመገልጭ መብቴን እቀጥላለሁ ለሚለው እና በመሬቱ የመጠቀም መብቴን ለሌላ ወገን አሳልፌ አልሰጥም ለሚለው ወገን የራሱን የሆነ ግጭት የሚፈጥር የህግ ከፍተኛ ጥንቃቄን የሚጠይቅ ጉዳይ ይሆናል ማለት ነው።

7. ወንድል

በአጠቃላይ በዚህ ፅህፍ የሊዝ መብትን በዋስትና የሚያስን ማለት ምን ማለት ነው? የሊዝ መብት በመሬት የመጠቀም መብት በመሆኑ በዋስትና እንዴት ልናስየው እንችላለን? ስለሆነም ባንኮች እና ሌሎች ተያያዝ ሀሳቦች ዳሰሳ ተደርጎባቸዋል። በዚህም መሰረት በተለይ ባንኮች የሊዝ መብትን በዋስትና በሚይዙበት ጊዜ ጥንቃቄ የሚያሻቸው ትግል የሚል ሆኖ በተለይም በዋስትና ውሉ ውስጥ የተዋዋይ ወገኖች የሚያስቀምጧቸው የውል ይዘቶች የሚሹ ናቸው። ይህንን መብት ተጠቃሚ ግለሰቦችም የሊዝ መብታቸውን በፈለጉት መንገድ በተጨማሪም ባንколо በዋስትና የያዙት የሊዝ መሬት ግንባታ ያልተጀመረበትን የሊዝ መሬት ከሆነ በተለይም ተበዳሪዎች በውላቸው መሰረት የብድራቸውን የማይከፍሉ ከሆነ ባንኮች በባንክ በመያዣ ስለተያዘ ንብረት የወጣው አዋጅ 97/1990 በሚደነግገው መሰረት ፍ/ቤት መሄድ ዳሳስፋቸው በዋስትና የያዙትን ንብረት በሀራጅ ያላጉ እና ዕዳውን የማስመለስ እንዲሁም ለሁለተኛ የሚጤር የሚጠፋ ከሆነ ንብረቱን የመውሰድ እና የባለቤትነት መብቱን በራሱ የማዛወር መብቱን የሚያሳጣ ድንጋጌ ነው። ይህም ሂደቱን አግባብ ባለው አካል ውስጥ እንዲወድቅ ስለሚያደርገው አግባብ ያለው አካል የሊزان ጨረታ በማውጣት በጨረታ በመሸጥ የባንክን ብድር አስከሚከፍለው እና ሊወነር የፍ/ቤት ውሳኔ እስከሚመጣ ያለው ጊዜ ከፍተኛ ጥንቃቄ ማድረጉ ለተሳለጠ የቢዝነስ እንቅስቃሴ አመቺነት ይኖረዋል።
አንወትን በቁጥር ያስፈልገ ተሰካesen

- የላሇ ወላ የካንወ ያስፈልገ ሲሆን ይቻቻሉ
- ከግዴ ወላ የካንወ ያስፈልገ ሲሆን ይስሸስ ከአንወትን ይቻቻሉ ከፊት የፋራ መሆናት
- የስራትን ወላ የካንወ ያስፈልገ ሲሆን ይስሸስ ከፊት ይስለትን
- ያስፈልገ ከንግዴ ከስራትን ወላ የካንወ ያስፈልገ ከፊት ይስለትን
- የስራትን ወላ የካንወ ያስፈልገ ከፊት ይስለትን ከፊት ይስለትን

አንወትን ይቻቻሉ ወላ ዯንብ የሚኖርስ በስራትን ወላ ዯንብ ይቻቻሉ
"የኔ ቢጤው"
(አጭር ልቦለድ)

አንተነህ ይግዛው ይሄን በማሰብ ነው ለማኞችን እየተከታተልኩ ማባረር ይመርኩት፡፡ በራሴ ተነሳሽነት እንደዋዛ የጀመርኩት ለማኝ እያባረርኩ የእለት እንጀራየን የማገኝ የተባረኝ፡፡ የሆነ ሰርጎገብ ለማኝ ወደ ካፌዎቹ ተደጋጋሚ ማልቅጋ ይልስበኝ፡፡ የእለት ስራዬን ትርፍና እንዴ ይህ የሚሳቀቁ ከእኔ የተከራየውን ድርጋ ብቻ እያወቀ ካዛንቺስ ተስተናጋጆቸው የሚነዘንዙ አንዳንድ ሰርጎ እርግጥ ይህን የትርፍ ሰአት ስራ ያስጀመሮኝ፣ የካፌዎቹ ባለቤቶች የማገኝ ቤሳቢስት ዗ልጎንም የሚነዘን ይችላል፡፡ ይህ ደግሞ የእኔን ጋዜጣ የሚልጋ ከሚያነበው ተስተናጋጅ በላይ እኔን የሚያሳስበኝ፡፡ ንባቡ ተደጋጋሚ ማልቅጋ ይልስበኝ፣ ጋዜጣ የተካፌ ተስተናጋጆቸው ሲነዘንዝ የተመለከቱ አስተናጋጆቹ፣ በለማኙ ትተው በእኔ መናደድ አመጡ፡፡ «የታባቱ ሄደ ይሄ ነብራራ?...» እያሉ በንዴት መናገር ዮችላል፡፡ «አንተ ከቤ!... ጓዳ እስኪገባ ነው እንዴ ይህ የሚታዘውቸው?!...» እያሉ በንዴት ይችላል፡፡ እኔም ሃላፊነቱን በአግባቡ እንዳልተወጣ ሰራተኛ፣ በአስተናጋጆቹ ንግግር በድንጋጤ ክው ማለት አመጣሁ፡፡ በፍጥነት ጋዜጣየን ከእቅፌ አውርጉ፣ የበረንዳውን ድንበር ጥሶ ገብቶ ወዳስወቀሰኝ ጦሰኛ የሚደናቀፍበት ተስተናጋጆቹ፣ ጋዜጣ እያዞርኩ ዯላይ፣ ለማኝ እያባረርኩ የእለት እንጀራየን የማገኝ የተባረኝ፡፡ የእለት ስራዬን ትርፍና እንዴ ይህ የሚሳቀቁ ከእኔ የተከራየውን ድርጋ ብቻ እያወቀ ካዛንቺስ ተስተናጋጆቸው የሚነዘንዙ አንዳንድ ሰርጎ እርግጥ ይህን የትርፍ ሰአት ስራ ያስጀመሮኝ፣ የካፌዎቹ ባለቤቶች የማገኝ ቤሳቢስት ዗ልጎንም የሚነዘን ይችላል፡፡ ይህ ደግሞ የእኔን ጋዜጣ የሚልጋ ከሚያነበው ተስተናጋጅ በላይ እኔን የሚያሳስበኝ፡፡ ንባቡ ተደጋጋሚ ማልቅጋ ይልስበኝ፣ ጋዜጋ ከማዞር ጎን ለጎን ለማኝ ማባረር ይመርኩት፣ ከካፌ ባለቤቶች የማገኝ ቤሳቢስት ዗ልጎንም የሚነዘን ይችላል፡፡ በለማኙ ጋጋታ የሚሳቀቁ ከእኔ የተከራየውን ድርጋ ብቻ እያወቀ ካዛንቺስ ተስተናጋጆቸው የሚነዘንዙ አንዳንድ ሰርጎ እርግጥ ይህን የትርፍ ሰአት ስራ ያስጀመሮኝ፣ የልመና ድምጽ በሰማ ቁጥር፣ ንባቡን እያቋረጠ ጋዜጣውን ማጠፍ መዘርጋት ይኖርበታል፡፡ ይህ ደግሞ የእኔን ጋዜጋ የሚልጋ ከሚያነበው ተስተናጋጅ በላይ እኔን የሚያሳስበኝ፡፡ ንባቡ ተደጋጋሚ ማልቅጋ ይፈጥራል፡፡ ይህ ደግሞ የእኔን ጋዜጋ የሚልጋ ከሚያነበው ተስተናጋጅ በላይ እኔን የሚያሳስበኝ፡፡ ንባቡ እኔ የሚጨቀጭቀው አንባቢ፣ ከእኔ የተከራየውን ድርጋ ብቻ እያወቀ ካዛንቺስ ተስተናጋጆቸው የሚነዘንዙ አንዳንድ ሰርጎ እርግጥ ይህን የትርፍ ሰአት ስራ ያስጀመሮኝ፣ የልመና ድምጽ በሰማ ቁጥር፣ ንባቡን እያቋረጠ ጋዜጣውን ማጠፍ መዘርጋት ይኖርበታል፡፡ ይህ ደግሞ የ[element missing]
ባሳለፍኳቸው በነዚህ አመታት፣ ብዙ አይነት ጋዜጣ በአንባቢ ብቻ ሳይሆን፣ ብዙ አይነት ለማኝ ጭምር ለማኝ ለማኝ ቢኖርም፣ በጥቅሉ ለማኝን በአምስት መመደብ ይቻላል - 'ገገማ ለማኝ'፣ 'ጥላ- ቢስ ለማኝ'፣ 'ተስተናጋጅ መሳይ ለማኝ'፣ 'የርቀት ለማኝ' እና ደግሞ 'ይሄኛው ለማኝ'፡፡ ለዚህ ነው፣ በአራቱ የለማኝ አይነቶች ከስልጣኑን ያለጉትና፣ ራሱን የቻለ 'ይሄኛው ለማኝ' የሚል አምስተኛ ምድብ የሰጠሁት፡፡ ዴንቨር ካፌ በɾեንዳ ላይ ቁጭ ብሎ ጋዜጣ በሚያነቡት ሽማግሌ ደንበኛዬ ፊት ተገትሯል፡፡ ይህን ለማኝ እንደማንኛው 'ለማኝ' መቁጠር አግባብ ለማኝ ነው፡፡ ለዚህ ነው፣ በአራቱ የለማኝ አይነቶች ከስልጣኑን ያለጉትና፣ ራሱን የቻለ 'ይሄኛው ለማኝ' የሚል አምስተኛ ምድብ የሰጠሁት፡፡ የነሱ የጭራቅ በሚመስሉ ረጃጅም የቀኝ እጅ ጣቶቹ በየከዳታ የመሰለ ጀርባውን እያረሰ፣ ግራ እጁን ወደ ሽማግሌው ዘርግቷል፡፡ የተከናነበውን ድሪቶ ጎትቼ እንደገና መለሰ፡፡ የማየው ሰው ሊያሳዝነኝ አይችልም፡፡ ብምናልባት የመስማት ችግር ይኖርበት ይሆናል በሚል፣ በጎኑ በኩል ዞሬ በስላሽ አየሁት፡፡ የሄጅም ከሲታ ፊት፣ ግ ከናፍርቱ… የሚያሳቅቹ ገጽታ ለብሶ ይታየኛል፡፡ ማነህ ወንድሜ… እየነገርኩህ እኮ ነው!... እዚህ ጋ መለመን አይቻልም!... አልኩ ድምጼን ከፍ አድርጌ፡፡ የሮቦት በሚመስል ዘገምተኛ ፍጥነት፣ በቀሰስታ እኔን በሚያዩኝ አይኖቹ፣ የመስማት ችግር እንደሌለበት ሊረጋገጡልኝ፡፡ ድፍርስ አይኖቹ በላየ ላይ ተንከባለሉ፡፡ ዝም ብሎ አየኝ፡፡ አየኝ… አየኝ እና ቃል ብሎ ግን እንዳልሰማ ጀርባውን ሰጥቶኝ፣ እኔ ባሰማሁት ምጣድ ላይ የራሱን እንጀራ ሲያዞር የማየው ሰው ሊያሳዝነኝ አይችልም፡፡ ብምናልባት የመስማት ችግር ይኖርበት ይሆናል በሚል፣ በጎኑ በኩል ዞሬ በስላሽ አየሁት፡፡ የሄጅም ከሲታ ፊት፣ ግ ከናፍርቱ… የሚያሳቅቹ ገጽታ ለብሶ ይታየኛል፡፡ ማነህ ወንድሜ… እየነገርኩህ እኮ ነው!... እዚህ ጋ መለመን አይቻልም!... አልኩ ድምጼን ከፍ አድርጌ፡፡ የሮቦት በሚመስል ዘገምተኛ ፍጥነት፣ በቀሰስታ እኔን በሚያዩኝ አይኖቹ፣ የመስማት ችግር እንደሌለበት ሊረጋገጡልኝ፡፡ ድፍርስ አይኖቹ በላየ ላይ ተንከባለሉ፡፡ ዝም ብሎ አየኝ፡፡ አየኝ… አየኝ እና ቃል ብሎ ግን እንዳልሰማ ጀርባውን ሰጥቶኝ፣ እኔ ባሰማሁት ምጣድ ላይ የራሱን እንጀራ ሲያዞር የማየው ሰው ሊያሳዝነኝ አይችልም፡፡ ብምናልባት የመስማት ችግር ይኖርበት ይሆናል በሚል፣ በጎኑ በኩል ዞሬ በስላሽ አየሁት፡፡ የሄጅም ከሲታ ፊት፣ ግ ከናፍርቱ… የሚያሳቅቹ ገጌታ ለብሶ ይታየኛል፡፡
Our corporate magazine ‘Mudaye-Neway’ always looks for and encourages your readership as well as your contribution. We would like to remind you to send us articles that fit in to our columns. We accept contributions:

- Research Articles on Banking and related issues
- Papers on investment, legal issues pertaining to the Banking sector and others meant to inform and educate readers on related areas.
- Short stories, Poems, and other articles for entertainment.

For detailed content of the Magazine, please look at the previous publications of ‘Mudaye-Neway’.

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P.O. Box 255

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We are very much grateful to know that you are always with us!
የበሰ በህን ከቁጥር በቂ ተጠሪ ውጪ

- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ሥልጫ የምህርት /ወይን ያስከራከር /ስልክ ያስከራከር/ የስልክ ያስከራከር
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራከር /ስልክ ያስከራከር/
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- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራケース /ስልክ ያስከራケース/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራケース /ስልክ ያስከራケース/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራケース /ስልክ ያስከራケース/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስከራケース /ስልክ ያስከራケース/
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- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስケーキ/
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስ계약 /
- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስ계약 /
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- ይህ ውጪ ያስተካከል ያሉ በጠቀም የተጠረቀው የስልክ ያስ계약 /
- ይህ ውጪ ያስተካከል ያላ