The Rising Role of Ethiopian Diaspora

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For decades, Ethiopians bought a one-way ticket to destinations. More than two millions of them chose to reside abroad enriching the destination countries with their creativity and industry.

Even in the relatively calm pre-1974, the number of Ethiopians migrants abroad was estimated about a fifty thousand. The flight accelerated in the era of the military regime.

As one researcher summed it up, particularly after Haile Selassie I, Ethiopians left the country in opposition to the revolution or to escape arrest for corruption or misrule. Their number was, however, very small.

The initial non-violent nature of the regime-change lasted for about two years. Political conflict began to increase in 1976, so that every part of the country and every section of the society was affected. As can be seen in the table nearly 56 per cent of the households covered in this study crossed into the Sudan during this period.

The period was characterized, in Ethiopia, by the escalation of war, confusion and the official proclamation of the 'Red Terror' which sent thousands of people into exile. Approximately one-third of the respondents arrived in the Sudan between 1970 and 1982. This period coincides with the institution of forced labour, non-voluntary relocation and resettlement programmes and the deterioration of economic conditions.

As various researches of IOM indicated that the migration of Ethiopians peaked during the period between 1978 and 1995.

The political overthrow of the Ethiopian Imperial Government in 1974, the independence struggle of Eritrea, the war between Ethiopia and Somalia between 1977 and 1978, and
the civil conflict in Sudan and Somalia in the 1980s have all been mentioned as major catalysts of large-scale migration.

The trend started to change after the downfall of the Derg regime in 1991. As an academic paper publication of Maastricht Graduate School of Governance observes: "*International migration flows out of Ethiopia are relatively small. The World Bank cites an emigration rate of 0.6 percent of the population in 2005, which amounts to a stock of 445,926 persons.*"

In particular, in the past decade, the government has been consistently working to create an inviting environment for an active participation of the Ethiopian Diaspora in the national development process. Such as, in human capital, transfer of knowledge, technology, skills and expertise as well as other benefits that can be generated from a cooperation between government and the Diaspora in financial, cultural and political areas.

As Prime Minister Hailemariam Desalegn recently said in reference to diaspora's engagement in development:

> Africa now sees the Diaspora as the continent’s 55th member state and gives paramount importance for its contribution to its transformative agenda.

> Ethiopia too is very aware of the importance of the Diaspora community for technology transfer, capacity building, investment, and image building... and deeply appreciates those who were engaged in various sectors of development.

The government has done a great deal to firmly establish involvement of the Diaspora community in the country’s affairs, ranging from keeping the Diaspora community abroad properly informed on developments in the country’s economic, social and political environment, to working proactively to make the Diaspora active stakeholders in the socio-economic transformation of Ethiopia.
The pivotal move in engaging the diaspora started with the adoption of the necessary policy framework. The government formulated a Diaspora policy and detailed mechanisms for engaging the Diaspora in these processes, with a clear objective of:

"Building a strong relationship between Diaspora and their country of origin and encouraging and facilitating conducive environment for participation of Diaspora on ongoing peace and democratization building process to benefit their country and to benefit from their engagement and to preserve their rights and interests abroad are the main objectives of the Policy."

Among the main goals and directions of the diaspora policy:

> Formulating a system of registration of members of the Ethiopian Diaspora
> Issuing consular identity cards for those who have no resident permit abroad; in order to reach out to them in times of need and promote their participation in development activities.
> Encouraging efforts to conclude labor agreements with the countries where there is a huge number of Ethiopian Diaspora.
> Federal, and regional investment offices and stakeholders would be encouraged to provide all round services at one place, support members of Diaspora that will come up with project proposals, and want to participate on various areas of investment.
> The Ethiopian Diaspora shall be promoted to involve and share their experiences in import-export, tour organizations, market intelligence areas, brokerages and salesmanship activities.
> Special promotion, and credit services package shall be prepared for members of the Diaspora who wish to participate in identifying, producing and distributing commodities especially traditional handcraft products that can be marked in countries where large number of Diaspora reside.
> Package programs shall be prepared to encourage visiting foreign families who adopt Ethiopian children and youngsters to visit Ethiopian historical and natural tourist sites and thereby promote our tourism resources.
Employment opportunities will be provided for the Diaspora based on their request to serve in governmental institutions, education and health sectors etc. with their profession and experiences on a temporary or permanent basis in accordance with government regulations.

Professionals who have special skills and indicate interest to work in research and consultancy that the government gives special focus on will be encouraged.

On the job training programs in governmental and non-governmental institutions for young Diaspora students attending their higher education overseas will be facilitated.

A mechanism will be put in place where Ethiopian Diaspora in the Middle East and neighboring countries will attend their higher education through distance learning; community schools shall be strengthened and expanded.

Donated materials obtained from the Diaspora in the process of knowledge and technology transfer shall be facilitated to enter the country without delay and serve their purpose.

Cultural centers will be established in foreign countries where many Ethiopian community associations exist to encourage Ethiopian Diaspora to develop skills and knowledge on their country’s languages, cultures and history.

A program to be named “Know Ethiopia Program-KEP”, learning Ethiopian languages and cultural participation would be designed to help youth Diaspora develop strong attachment towards their country of origin.

Mechanisms will be in place to allow Ethiopians with permanent resident permit in other countries but living in Ethiopia to take part in elections at any nearest possible polling station.

Diaspora goodwill donations free from any religious and political attachments will be mobilized and their proper utilization will be realized......and a system aimed at broadening their voluntary contributions will be established.

In order to implement the policy, a Diaspora Engagement Affairs General Directorate was established in 2002 within the Ministry of Foreign Affairs with a view to working closely with Ethiopian in the Diaspora and facilitating their activities in Ethiopia.
Specifically, its mission is to ensure that Diaspora issues are seriously considered in the country’s development endeavors. The stated objectives of the General Directorate include:

- Serve as a liaison between different federal Ministries, regional Diaspora coordinating offices and Ethiopians in Diaspora;
- Encourage the active involvement of the Ethiopians in Diaspora in socio-economic activities of the country;
- Mobilize the Ethiopian community abroad for a sustained and organized image building.

These changes helped improve the types of services provided for the diaspora as well as their quality and depth.

Among those, conducting researches to inform policy regarding the Diaspora’s increased participation in nation’s development endeavors can be mentioned. Another had been the dissemination of accurate information to the Ethiopian community abroad through various media outlets and to keep them informed of issues relevant to them.

The so-called Yellow Card is an important showcase of the progress made.

The Ethiopian Origin ID card (Yellow Card) was one of the measures that have made a difference in facilitating the contribution of foreign nationals of Ethiopian Origin. It entitles them to various rights and privileges of Ethiopian nationals by lifting the legal restrictions imposed on them when they lost their Ethiopian nationality.

The ID card is issued by the Ministry of Foreign Affairs when abroad and by the Authority for Security, Immigration and Refugee Affairs main Department when in Ethiopia.

The holder of the Yellow card:

- are not required to have an entry visa or residence permit to live in Ethiopia;
• have the right to be employed in Ethiopia without a work permit;

• are not be exempted from various exclusions that applies to foreign nationals; regarding coverage of pension scheme under the relevant pension law; and

• The children of the holder of the ID card who are under the age of 18 will have the right to enjoy facilities granted.

However, it doesn’t include the right to vote or to be elected. Nor does it grant the right to be employed on a regular basis in the National Defense, Security, Foreign Affairs and other similar political establishments.

Another recent measure taken to facilitate the contribution of the diaspora concern the financial sector. The Ethiopian diaspora is provided with the opportunity to open a diaspora bank account, a deposit account targeted for Ethiopians in Diaspora to open and to use foreign currency account in Ethiopia.

This can take any of the three forms.

One is a Fixed (Time) Deposit Account that is an interest bearing account with agreed maturity date, the minimum being three months. The account can be opened with an initial deposit of US Dollar 5,000 or its equivalent in any of the three currencies and interest on such accounts shall be payable only if they are maintained at least for the minimum period. Interest income on such accounts is tax-free.

Another is a Current Account and is operated by cheque book. It can be opened with an initial deposit of US Dollar 100 or its equivalent in any of the three currencies. The maximum amount to be deposited can not exceed US Dollar 50,000 and interest shall not be paid to a non-resident foreign currency current account.

A third option is a Non-Repatriable Birr Account that may take the form of saving deposit account that can be used for local payments only. This account will pay double interest of the minimum saving deposit rate set by the National Bank of Ethiopia and money can neither be transferred from this account to abroad nor converted from the local currency to any foreign currency.
This has helped the engagement of the diaspora immensely. It accrued several benefits of including: Individuals and companies can open this account; the account can serve as collateral to get loans in local currency from domestic banks in line with the opening bank's credit policy; and Deposit can be made in one or more of the major global currencies like the US Dollar, Pound Sterling and the Euro.

The government’s prudent approach paid off as it created arrangements to engage Ethiopian Diaspora communities’ role in technological and knowledge transfer, institutional and human development and technical assistance and investment.

This political commitment and the institutionalization of Diaspora policies have resulted in significant changes so far.

This week the Oromia Diaspora Festival started to be celebrated at the AU Headquarters.

The festival, the first of its kind gathered many of the members of the Oromo Diaspora. The event was attended by Prime minister Hailemariam Dessalegn, Speaker of the House of Peoples’ Representatives Abadula Gemeda, President of Oromia Regional State Muktar Kedir, Dep. Prime Minister and Minister of the Civil Service Aster Mamo.

Indeed, the fact that the Oromo Diaspora showed keen interest in the event and travelled across the world to take part in the event demonstrated their commitment to take an active role in the ongoing development process of their country.

As the Prime Minister said: The first national celebration of the Diaspora festival aimed to bring together the Diaspora community to participate in the overall development process of the country. Active engagement of the Diaspora will have an immense benefit for Ethiopia’s path of renaissance.

Indeed, the twelve consecutive years of high economic growth was the fruit of not only Ethiopians residing inside the country but also backed by the Diasporas’ contribution in terms of knowledge, skill and leadership.
Indeed, the diaspora’s participation is most visible, most substantial, and very encouraging in the economic sphere. As of the beginning of 2014, nearly 3000 members of the Diaspora community are involved in investment in different sectors.

The amount of capital involved amounts to close to 23 billion birr. This substantial investment portfolio not only makes its own contribution to the overall economic growth of the country, it also, and as importantly, has created more than 125 thousand jobs in the country.

The contribution of the Ethiopian Diaspora to the economy, however, is not limited to investment and job creation. Between July 2011 and March 2014 alone, Ethiopia received more than 5.6 billion US dollars in the form of remittances from Ethiopians living abroad.

Considering the significant current account imbalance of the country and the huge infrastructure projects being constructed under the Growth and Transformation Plan, these remittance receipts are indeed important. Equally, the amount of foreign money transfers is expected to increase in the near future.

However, there is more expected from the Ethiopian diaspora.

As the Prime Minister underlined this week, the Diaspora should play a pivotal role in the investment sectors like the flora industry, livestock, and fisheries by taking into consideration the favorable condition for modern agriculture. The booming manufacturing and construction sector is also a good opportunity to invest.

Before winding up this article, we shall quote remarks from the late and the current Prime Minister that reminds the diaspora to take this month as an opportunity to reflect on their past contributions and the untapped possibilities to speed up Ethiopia's renaissance.

“Ethiopians in the Diaspora need to further consolidate their efforts and do their part for the efficient implementation of the GTP, a plan which aims at extricating the country out of poverty.” - Prime Minister Meles Zenawi
“Ethiopians in the Diaspora should contribute their share, so that they can enjoy a lifetime experience at the success that the country will register at the completion of the ongoing five year GTP.” - Prime Minister Hailemariam Desalegn