Public Debt Integrity Series

The political economy of debt in Ethiopia: Assessing the role of parliament in public debt oversight

Ethiopia

08

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2025

WFD

AFRODAD
AFRICAN FORUM AND NETWORK ON DEBT AND DEVELOPMENT

Foreign, Commonwealth & Development Office

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This paper is published as part of the “Public Debt Integrity Series”, a joint knowledge building initiative of AFRODAD, the African Forum and Network on Debt and Development, and WFD. The papers in this series aim to research different aspects of the role of parliaments in public debt oversight in Africa. The papers have been researched, written and peer-reviewed in 2024. They are co-published by AFRODAD and WFD in 2025.

The research has been made possible through WFD’s Grant-in-Aid funding received from the UK’s Foreign, Commonwealth and Development Office (FCDO).

This paper was written by Tesfaye Merra and Danny Cassimon. The authors appreciate the peer-review comments by Abdul-Gafar Tobi Oshodi, Elena Mondo, Franklin De Vrieze, Philip Mwiinga and Shem Joshua Otieno. Many thanks to Zoe Clack for the organizational support and Daniel Etherington for proofreading.

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Contents

Executive summary

Ethiopia has faced a growing debt buildup and high debt service that leaves the country under high risk of economic and financial distress.

This study assesses the role of the Ethiopian parliament in debt oversight. We examine the role of the parliament in debt oversight through a qualitative research approach of desk review and key informant interviews.

The result reveals the country has weak legislation on debt oversight, low quality of information on debt-related issues and executive dominance limits the power of parliament in debt oversight.

This shows that the parliament does not have much power to hold the government accountable.

The main weaknesses of public debt reports in terms of transparency is its low quality that may be linked also to secretive debt contracts with Chinese creditors.

The civil society organisations (CSOs) and economic think tanks were making a beneficial contribution to the oversight efforts through the review of existing laws, capacity-building training, presenting informed and evidence-based opinions.

Thus, it is advised that the Ethiopian government establishes rules and laws, limits executive dominance and builds the capacity of members of the parliament through various training schemes that will ensure their oversight activities.

KEYWORDS: PARLIAMENT, DEBT OVERSIGHT, CSOS, TIMELINE, ECONOMIC THINK-TANK

1. Introduction

Ethiopia has been challenged with numerous economic crises as well as social tensions, brought on by the civil war in the north and political instability in the country at large. The economy is facing inflationary pressure, a volatile exchange rate, foreign currency liquidity shortages, weak export performance, growing debt build-ups, and high debt service. Similarly, the COVID-19 pandemic shock continues to adversely affect the economy, which leads the country to borrow and accumulate high levels of debt[1, 2].

The country is not a standalone case in this respect. In most low-income and some middle-income countries, debt vulnerabilities have been increasing for some time now as evident from growing public and external debt stocks and increased debt service. One witnesses increased risks of debt distress in a growing number of low-income countries, further intensified by the impact of several distinct exogenous shocks like the COVID-19 pandemic, which worsened the public debt crises.

Ethiopia is one of the so-called heavily-indebted poor countries (HIPCs) suffering from historically increasing external debt. Due to the cleaning of their debt slate by a series of coordinated international debt relief initiatives in the 1990s and the beginning of the new millennium, lower-income sub-Sahara African countries have used their regained borrowing space to build up a more diversified public debt portfolio, while engaging with new types of creditors not only domestically but also externally[3]. As such, there have been renewed calls for orderly debt restructuring agreements, such as the recent G20-led Debt Service Suspension Initiative (DSSI)[4] and the current Common Framework (CF).

In this regard, assessing the role of parliaments' oversight of public debt management is crucial in order to reduce the risk of such debt crises in low income countries. Oversight should be taken as one of the main functions of parliament, to assist institutions and countries in following prudent debt management systems. It is via oversight that the parliament maintains the system of checks and balances on the administrative bodies of the government. It ensures that government strategies, policies and actions are both efficient and commensurate with the needs of the public, helps identify misconduct or deficits and allows for remedial actions against the executive[5].

In Ethiopia, the current macroeconomic reform is called "a home grown economic reform"[6]. It aims to correct macroeconomic imbalances, ensure macrofinancial stability through stepping up ongoing efforts to improve public sector finances, easing foreign exchange controls and correcting the exchange rate misalignment, modernising the monetary policy framework, strengthening the financial system, and developing capital markets[7]. All these actions are expected to improve the country's debt burden from high to medium level of debt distress.

According to the latest publicly-available IMF report[2], Ethiopia is at high risk of external debt distress, breaching thresholds on both stock and flow key indicators, such as the external debt service to exports ratio and the present value of external debt to exports ratio. To reduce external public debt burden from high to medium level of debt distress, the macroeconomic reform process emphasised minimising new borrowing from commercial external sources, while searching more for concessional loans instead, and rescheduling the existing external public debt[6]. The above-mentioned two debt-related macroeconomic reforms (that is, minimising the commercial external loans and rescheduling the existing external public debt) were actually implemented for the last two years and show encouraging results in this regard. Particularly, for the last three years the country has stopped in engaging new commercial loans both for state-owned enterprises (SOEs) and the government itself, as well as engaging in debt rescheduling operations within the recent global initiatives (DSSI/CF). This significantly reduced the external debt burden to 13.9% of GDP[7].

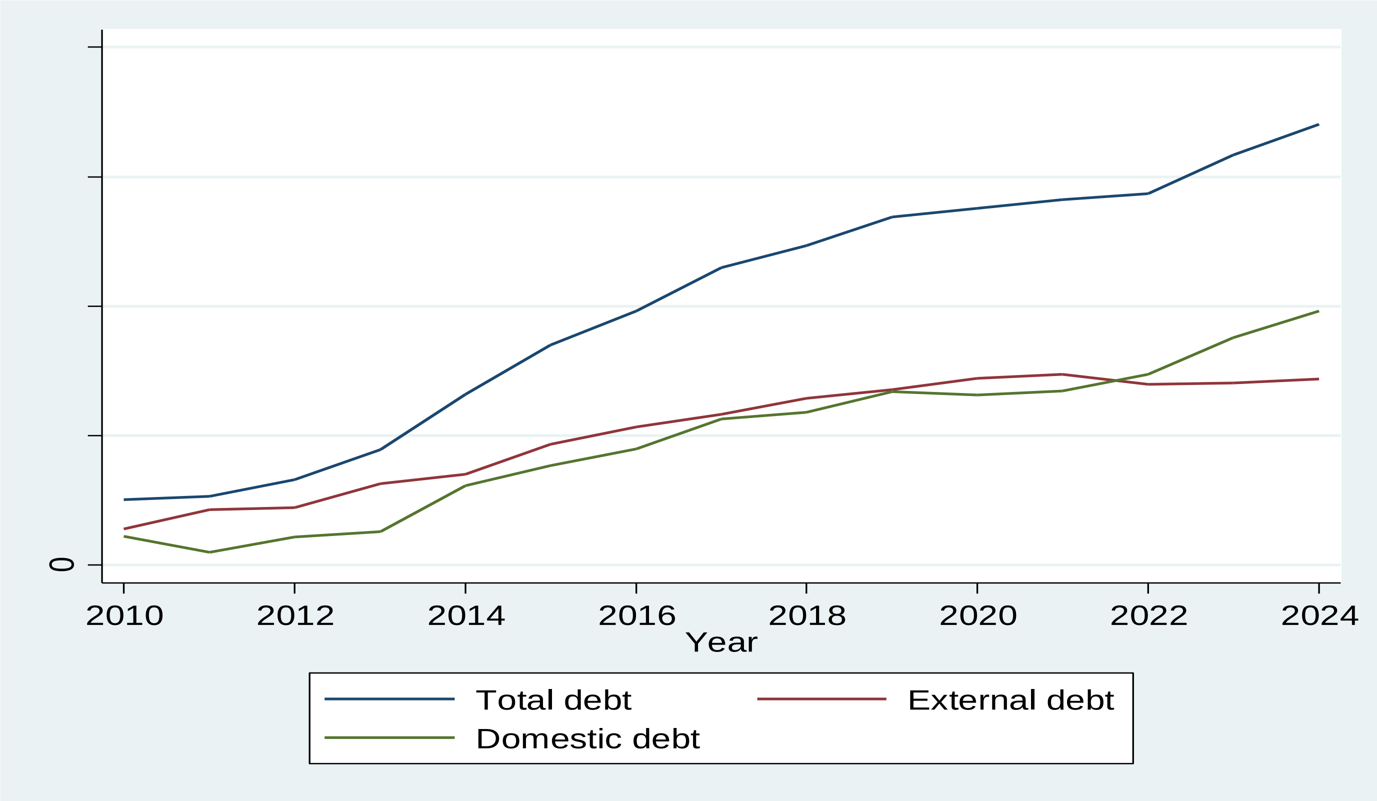
The main objective of this study is to assess the role of the Ethiopian parliament in ratification of various debt initiatives and the power of the parliament to scrutinise debt management and exercise overall public debt oversight. In doing so, we hope to contribute to the overall knowledge on strengthening the role of parliaments in this respect, and on parliament's power to hold government to account.

Thus, the following research questions were investigated: 1) Does the Ethiopian parliament have power to oversee public debt and hold the government to account? To what extent does parliament oversee public debt? 2) Do members of parliament have impact politically or not during their oversight of public debt? 3) What are the procedures of ratifying different debt agreements? Along with the above questions, we have critically reviewed the debt management strategy of the country, the legislative role of the parliament and transparency on debt information as well as its periodical accessibility.

2. Evolution and intensity of the debt burden in Ethiopia

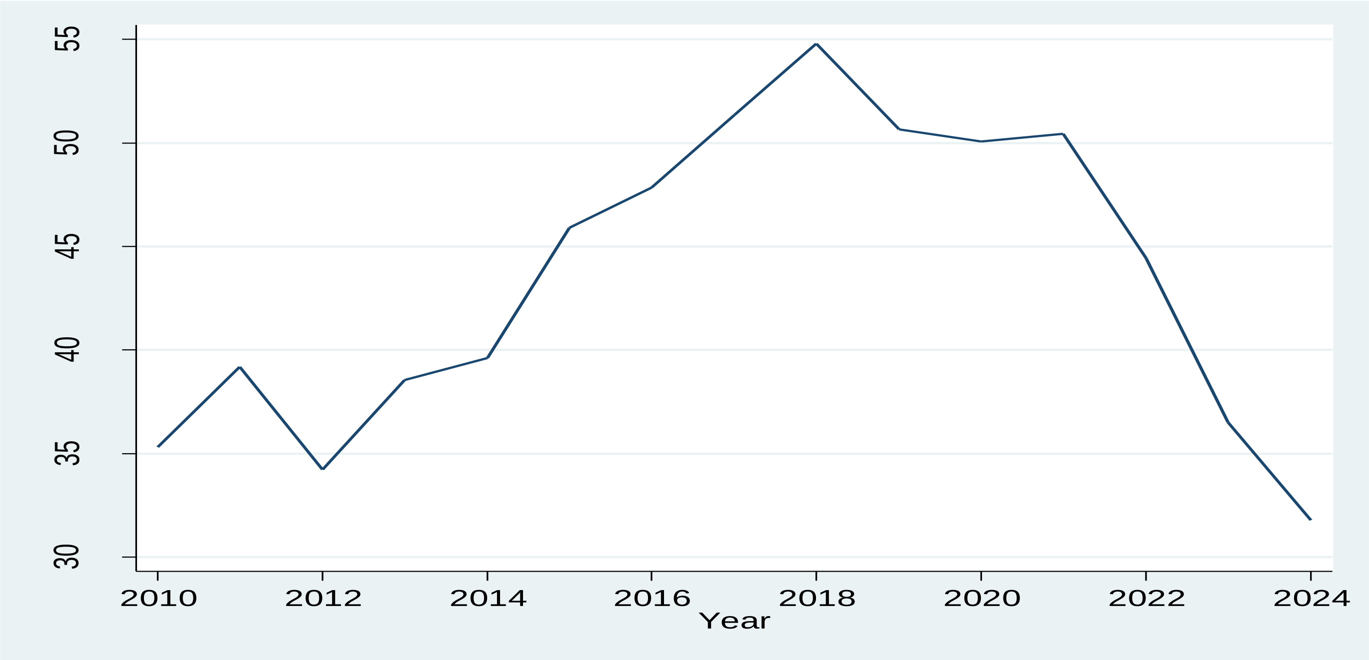
External debt in Ethiopia has been altered significantly in structure, magnitude and composition over the last five decades. In early 1975, it stood at about USD 343.7 million (14% of GDP) but by 1991 it had increased to USD 8.86 billion (139% of GDP). Furthermore, in 2001 this number had reduced to an equivalent of USD 5.6 billion (57% of GDP), following the debt relief granted within the Heavily Indebted Poor Countries (HIPC) Initiative[8]. This provided the country with the borrowing space to start accumulating new debt, increasing debt to USD 8.6 billion (37% of GDP) by end of the 2010-11 financial year and rapidly accumulating since, with the detail shown in Figure 1; by end of the 2023-24 financial year, it amounted to USD 28.8 billion USD (about 32% of GDP). The following two graphs depict the recent debt evolution and composition from 2010 to 2024.

Figure 1. Recent debt evolution and debt composition (in million USD)



Source: Compiled IMF, WB and MoF database, 2024

Figure 2. Trends of public debt to GDP ratio (2010-2024)

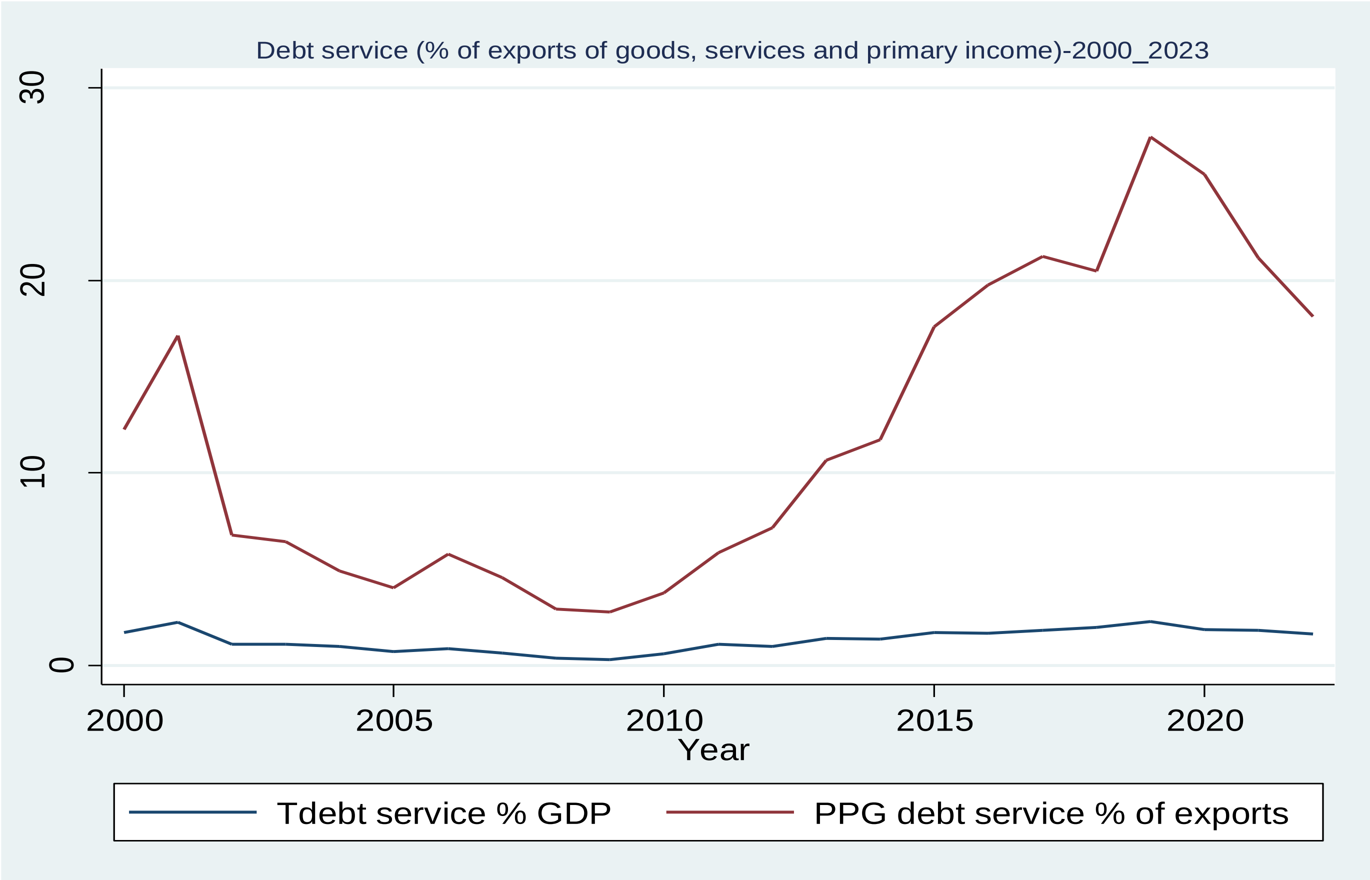


Source: Compiled IMF, WB and MoF database, 2024

From the entire external debt held at the end of financial year 2023-24, 68% is held by the federal government, while 22% debt is held by government-guaranteed state-owned enterprises like Ethiopian Electric Power, Ethiopian Railways Corporation, Ethiopian Sugar Industry Group, and Ethiopian Shipping Lines. The debt is guaranteed by the Ministry of Finance as well as the state-owned Commercial Bank of Ethiopia. The remaining 10% is non-government guaranteed debt, held by the Ethiopian Airlines and Ethio Telecom. From the same external debt stock, 28.14% is held by official bilateral creditors, 54.2% by multilateral creditors, and 17.64% by private creditors (partly through an Eurobond issue in 3.5%). Next to external debt, the domestic part of public debt also expanded rapidly in the last 15 years, from (the equivalent of) about USD 2 billion in the 2010-11 financial year to USD 39 billion in the 2023-24 financial year, becoming the lion's share of total public debt.

Compared with many other emerging economies, Ethiopia's debt stock ratio is not exceptionally high. The challenge comes when we look at it in terms of its debt servicing. Total debt service, measured as a percentage of exports of goods, services and primary income, has been increasing from 4.47% in 2005 to 21.06% in 2021, revealing the true burden of debt servicing for the country during the last two decades. After Ethiopia got a debt forgiveness in 2006 under the HIPC Initiative, the debt servicing trends declined up to 2009. But then after 2010, the debt servicing remains on an upward trend as depicted in the figure below and reaches a maximum (28.28%) during 2019 and then starts to decline for the years 2020 and 2021. This decline was probably due to the action of the G20 Debt Service Suspension Initiative (DSSI)[4] to give a fiscal breathing space for the COVID-19 pandemic shock finance. For instance, in 2000, the country paid a total of USD 123.3 million in debt service, while, in 2022, it amounted to USD 2.1 billion. Figure 3 shows the increasing trends in external debt servicing.

Figure 3. Debt service (percentage export of goods, services and primary income) 2000-2023



Source: World Bank data base, 2024[9]

On the other hand, one major other instance of the debt burden comes from its outstanding Eurobond. Ethiopia owes an outstanding USD 1 billion Eurobond that is due to mature in December 2024, unless efforts are made to extend its deadline for some years in order to get some breathing space. In December 2023, the country has been considered as defaulting on its Eurobond after missing an interest payment of USD 33 million. But the government doesn't admit this default. Rather they argue they have the ability to pay these interest payments. In his speech to parliament (the decision-making unit for final approval) on 23 February 2024, Prime Minister Abiy Ahmed said the issue should not be considered as a default but rather as an effort to treat all creditors equally[10]. For that reason the government decided not to pay the particular Eurobond interest payment due. He substantiated his argument by saying that, "this interest payment is equivalent to two days of Ethiopian airlines revenue''[10]. However, in the international market it was clearly considered as a default.

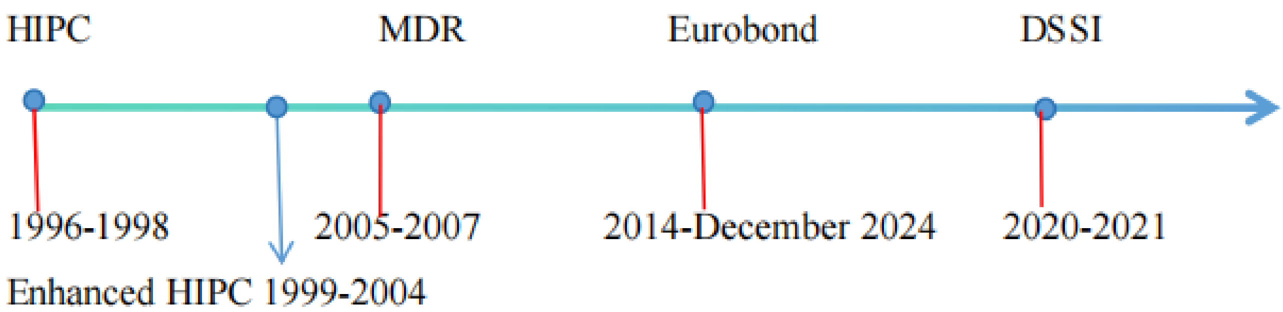
Between 1992 and 2005, Ethiopia was engaged almost perpetually in debt relief negotiations. Five times it received assistance from the Paris Club IDA buyback facility[11, 12] whereas under HIPC Initiative, it received two treatments of its debt[11, 12]. The HIPC Initiative basically changed Ethiopia's economic circumstances and thereby affected its debt sustainability. Recently, the country has participated in the Debt Service Suspension Initiative (DSSI) debt relief initiatives launched by the

G20 countries since the outbreak of the COVID-19 pandemic, aiming to suspend debt services for low income countries. On the other hand, Ethiopia has been the third country (following Zambia and Chad) that applied for the Common Framework beyond DSSI[13,14], which was launched to support low-income countries' recovery form the pandemic shock.

The section above clearly provides the timeline of major recent decisions taken by government around debt, indicating also the key instances for involvement of the parliament, that is, on HIPCs, DSSI, Eurobond, and the current Common Famework (CF) beyond the DSSI[13,14]. As per the Ethiopian constitution of articles 55 and 76[20], parliament has the responsibility to take effective oversight activities on the executive bodies of the government. This reveals that parliament is the superior body of the government that monitors and evaluates the executive bodies of the government as per their plan. Accordingly, parliament takes debt oversight activities as one of its one core activities. The approval of any loans (debt) in general and debt relief initiatives like HIPCI, DSSI, and CF passes through the final decision by the parliament. Though the Ministry of Finance is the main responsible organ of government that deals with the general matter of debt issues in the country, the final decision is left to parliament.

Based on reports from the Ministry of Finance, parliament had scrutinised the HIPC Initiative and its contribution in easing the debt burden of the country. The same scenario has been followed by parliament for MDRI, DSSI and Eurobond in particular and overall debt in general (see Figure 4).

Figure 4: Timeline of major debt decisions and parliamentary involvement on debt initiatives



3. Research methods

This study adopted a qualitative research approach. We use both primary and secondary source of data. The primary data collection method includes desk study and key informant interviews. On the other hand, secondary data sources were literature and various documents reviews. On the key informant interviews, participants in this evidence-based collection method include members of the parliament, budget preparation and planning standing committee members of parliament, and parliamentary staff/departments. On the other hand, staff of the Debt Management Directorate[15], from the Ministry of Finance and the National Bank of Ethiopia, were parts of our study target population.

4. Reviewing Ethiopia's debt management strategy

Ethiopia has yet to establish a comprehensive legal framework for debt management, and there is no formal publication of debt data[16]. In Ethiopia, the principles of public debt management are enshrined in the financial administration proclamation number 648/2009 (proclamation number 970/2016, amended)[22] and the financial administration regulations. These proclamations are a means to promote prudent and sound debt management practices for both government and SOEs with the aim of enhancing public finance effectiveness and transparency in management of public resources. The Ministry of Finance (MoF) is the primary agent of the government of Ethiopia responsible for managing and conducting various cost-risk analyses of the country's public debt portfolios. It prepares, manages and follows up the country's medium-term debt management strategy (MTDS)[17]. There is a clear coordinating mechanism at the political and technical levels as well as legislation and implementation circulars defining the parameters for debt contraction, guarantees and servicing. The existence of a clear legal framework is an important enabling element for formulating a debt management strategy, executed mainly through the preparation of 5-year MTDS.

So far, two 5-year period MTDSs have passed, for the periods 2016-20 and 2021-25. It is the Ministry of Finance, and especially its Debt Management Directorate, that is responsible for this strategy. The debt management strategy is designed with the technical support from IMF and World Bank teams. However, because of the COVID-19 pandemic and other related obstacles, the MoF did not start the process to undertake a workshop and formulate the strategy and hence the current MTDS (2021-25) is not operational. As such, the MoF still uses the previous MTDS (2016-20). This can be cited as a weakness of the ministry in its debt management. The ongoing homegrown economic reform program needs huge resources from both external and domestic sources. These borrowing activities need to be guided by an internationally recognised framework for developing a debt management strategy that ensures public debt sustainability, which is currently not happening[18].

The government has a monitoring and enforcement mechanism in order to maintain the transparency and accountability of public borrowing. As such, it is possible to ensure that the level of public debt is consistent with the overall fiscal framework aimed at safeguarding macroeconomic stability over the medium term. So, what is the result of this strategy on debt stock? The output of implementing the 2016-20 strategy has led to the decline of the average time to maturity of the public debt portfolio, the share of debt portfolio requiring refix in one year increased, government exposure to debt denominated in foreign currency also increased and the proportion of debt maturing in a year has been increased[18]

In this context, we couldn't find any legislation that depicts the role of parliaments in debt management. This could indicate that the role of parliaments in public debt oversight is minimal. The existing legislation on the role of parliament in public debt oversight and management were general. No specific roles for parliament were mentioned in either the federal constitution[20] or the public finance administration act[22] of the country focusing on its debt oversight role. It only states that parliament should follow-up and monitor, as the government budget and wealth is being used properly under regulation 6/2008[21].

5. Legal framework and parliaments legislation role in Ethiopia

The Ethiopian House of Peoples' Representatives (hereafter 'parliament')[23] is the only legislative body and therefore, remains the highest authority of the federal government. It is obvious that the parliament needs a legal base and capacity for oversight in order to hold government to account[19]. In this regard, there is a general legal basis for the powers of the parliament regarding oversight activities of the executive bodies of the government, in the constitution of the Federal Democratic Republic of Ethiopia (FDRE). The FDRE's constitution states the power of parliament under article 55 sub-article 10[20] is as follows ''it shall approve general policies and strategies of economic, social and development, fiscal and monetary policies of the country''. Thus, it states approval of various policies and strategies that has been forwarded from the council of ministers or executives.

Similarly, under this article of sub-article 12[20] it states that parliament ''shall ratify international agreements concluded by the executives''. Therefore, the constitution fails to address clearly the role of parliament in debt management and its legislative role in this regard. Of course most national issues including international agreement pass through the parliament's approval, debt agreements were among those issues. For example, as per the call for urgent meeting by the office of the parliament, on 30 July 2024, parliament approved a USD 1.5 billion loan and support from IDA, after a deep clarification about the loan and support, presented by the Minister of Finance. Parliament tried to scrutinise the debt in terms of its suitability to the country's debt management policy, its grace period and looked at its 38 year repayment period.

Furthermore, we assessed parliament's oversight role in the country's debt and debt management. Unfortunately, under this constitution, parliament has no specific power to oversee debt. But, what we found in the constitution was a general term stating as ''it has the power to call and question the prime minister and other federal officials to investigate the executive's conduct and discharge its responsibilities'' under article 55 sub-article 17[20]. In fact, parliament has clear schedules to conduct a review of policies, the supervision of the executive body and the monitoring of government and public agencies. As the evidence sourced from the parliament office (such as, office of secretary general) proves, these schedules were fixed on quarterly, semi-annual and annual bases.

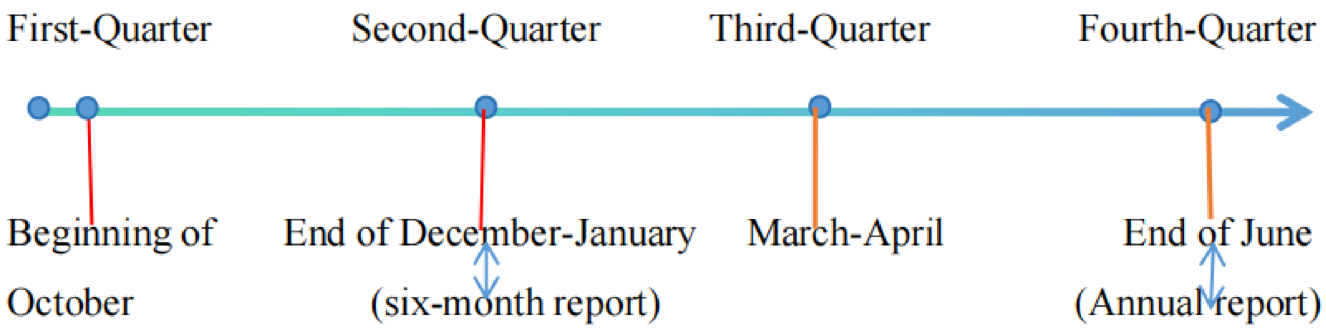
Parliament has different standing committees to supervise and monitor the implementation of government plans. One is the oversight and follow-up standing committee, which is supported by professional experts under the oversight of the parliament office. Another is the plan, budget and finance affairs standing committee, which is directly responsible for overseeing the activities of the Ministry of Finance in particular and the government in general. This oversight includes the overall debt management and implementation of the loans, based on its predetermined objective. This standing committee is further guided by the rules and regulations of the parliament regulation number 6/2008 ''code of conduct and ethics for members''[21] which clearly states the duties and responsibilities of parliament. This regulation strengthens the legal basis to take oversight activities and hold the government to account. Furthermore, there is also a monitoring and oversight performance manual at the office of the oversight and follow-up directorate that guides the oversight activities of parliament.

The Federal Government of Ethiopia Financial Administration Proclamation number 648/2009[22] clearly states the power and duties of the ministry of finance regarding the overall financial administration. As we reviewed all its content, we found that most of the roles were given to the Ministry of Finance. The role of the parliament is therefore approving those budgets/debt agreements concluded by the Minister of Finance. Referring to articles 43 and 44 of this proclamation, ''no money shall be borrowed or security issued by or on behalf of the federal government without the authorisation of the House of Peoples' Representatives[22]. This confirms that all borrowings pass under the approval of the parliament, and the parliament has the power to summoned MoF to provide justification and be held accountable. But parliament failed to stop decisions that have been decided by the executive since most MPs were members of the executive or from the ruling party.

6. Public debt data transparency, accessibility and accountability

Transparency is essential on public debt in terms of the quality of debt data, the amount of debt contracted, interest rates, debt maturity and any other terms and condition. Yet, timely and public disclosure of debt-related information is one of the main concerns of public debt management. The debt information shared with the public and stakeholders helps to hold the government accountable[24]. This encourages the government to keep the debt management principles. The country's law should obligate the government to report to parliament and publicise debt management reports periodically. This should consist of borrowing plans, intended use of the loan and debt management process.

Figure 5: Timeline of reporting (on debt) to the parliament



The information gathered from our interviews revealed that the Minister of Finance is responsible to present a report on existing loans contracted, guarantees and the intended use of each loans to parliament. The plan, budget and finance affairs standing committee of the parliament plays an important role in ensuring the government authorities confide debt management strategies, reveal their activities and are held accountable. This committee has also the power to assess whether public debt management activities are in line with laws of the country. The Office of the Federal Auditor General and auditing practices should, in principle, play an important role in ensuring transparency in public debt management.

Most of the country's debt data is easily accessible through the Ministry of Finance and National Bank of Ethiopia. This data is available as a part of their annual reports and also published on their respective websites. But the country has been blamed for keeping information on some borrowing activities from Chinese agencies secret[25]. Usually, the government presents a debt report to parliament at least twice a year, via the prime minister's explanation on the country's economy. One of the major weaknesses of public debt reports in terms of transparency is their low quality. The government provides a clear explanation to the parliament about the intended use of the loan agreement during its regular meetings. This helps parliament to conduct effective oversight and hold the government into account.

7. Challenges in ratifying loan agreements

In Ethiopia, in the period analysed, there has always been a one-party dominated parliament, except for the 2005-10 term. MPs lack confidence and fear the dominance of the executive in scrutinising and overseeing debt activities. As the vast majority (that is, more than 95%) of MPs are members of the ruling party, they lack confidence to fully exercise their power in public debt oversight. In his study on Ethiopian parliament, Assefa Fiseha[26] questioned that, ''how is it then possible that a junior political figure then control or exercise oversight over his own party leaders given the context that doing so will as a consequence of democratic centralism and party discipline, the MP has to obey his political leaders?'' Moreover, a large number of members of parliament were also part of the executive bodies, which affects the role of parliament, showing the dominance of executives. So, parliament is largely perceived as subordinate to the strong executive. Consequently, MPs operating under party discipline are not free agents in parliament but are instruments of their party preferences as coerced by the party leaders[26].

Usually, the procedure of ratifying public debt in parliament occurs after the decision has passed by the Council of Ministers (that is, executive bodies of the country). The opportunities for parliament to scrutinise in detail proposed loan agreements are often quite limited in terms of time and knowledge in the area. Then, MPs may debate and ask the Minister of Finance a few questions for clarification. Most MPs, however, may have no perfect information about the outstanding debt, the composition of debt and the actual outcome of the debt. After having such questions and answers (or discussions) they are directly asked by the speaker of parliament for approval. After getting a majority vote, the debt is declared/ratified for official use following the country's debt management strategy.

In Ethiopia, with less than 5% opposition MPs in the parliament, there is no real and lively debate on any of these issues, which significantly affects and limits concrete oversight activities. It is clear that tough political competition and opposition in parliament would serve as a catalyst for oversight activities. But this is not happening in Ethiopia today, keeping in mind that members of the existing opposition parties have the right to refuse the motion.

8. CSOs and parliament

To assess the relationship between parliament and civil society organisations (CSOs), we have gathered information from the Ethiopian Civil Society Organizations Council and the Ethiopian Economics Association. The information shows that CSOs are contributing to parliament through participating in the legislation preparation process, providing evidence-based opinions and comments. Similarly, the CSOs are contributing to oversight activities of parliament by providing expert assistance in committee work, assisting and sharpening the utilisation of oversight tools such as hearing executive reports, undertaking visits, and the like. So, the CSOs' involvement in oversight and legislative activities makes public budgeting more transparent and accountable. Transparency in budget (and audit) processes is essential for enabling citizens to control the use of public resources and to ensure that these resources are best utilised to benefit society. Furthermore, their relationship is fostered through the Ethiopian Parliamentary Women's Caucus, and they have a forum called the Parliament-Civil Society Dialogue[27].

The Ethiopian Economics Association, as an important economic think tank, has a close relationship with parliament, and the association includes individual MPs in their regular capacity building training programme. Similarly, the CEO of the Ethiopian Economics Association is a member of the steering committee in parliament. This is expected to raise the know-how and knowledge of MPs to the overall macroeconomy and debt situation of the country and will further support MPs oversight activity. Thus, by doing so, the CSOs and economic think tanks contribute indirectly to parliament's oversight activities.

9. Conclusion

This study has examined the role of Ethiopian parliament on debt oversight and debt management activities. We did so by assessing the literature on parliamentary oversight, existing laws in the country and documents. Desk study and key informant interviews had been used as a qualitative validation for this study. Evidence from our study revealed that the country has been using the 2016-20 MTDS, under its Ministry of Finance. The role of parliament for oversight activities in the constitution remains vague. We could not find specific laws that give power to the parliament in order to undertake public debt oversight. Rather it is a general statement to oversee the activities of the executive bodies. Furthermore, the Public Finance Administration proclamation[22] clearly states the duties of the Ministry of Finance in formulating, implementing and evaluation of the proposed budgets/loans leaving the approval to parliament. Parliament has the right to summon the executive for clarification on any matters of national interest including public debt oversights. Evidence revealed that there is executive dominance in parliamentary oversight. Thus, oversight remains a political activity.

Parliament has the power to examine and oversee all loan agreements before their approval and during their implementation. But the Ethiopian parliament does not have much power to hold the government accountable due to lack of capacity, low quality information disclosure on debt-related issues, weak legislation (particularly about debt), and political issues (executive dominance). Though parliament discusses and ratifies loans and debt-related issues, in practice, its power is limited and unable to really hold the executive in to account. The practice of disclosing full and timely public debt records in accessible formats is an important part of transparency to hold account the government. Regardless of its low quality, public debt information has been published on a regular basis on the website of the Ministry of Finance, making it easily accessible for the public and stakeholders. This could help the parliament to access the information and conduct oversight activities.

Parliament has a close relationship with CSOs and economic think tanks in the country. The CSOs support parliament's oversight activities through the review of existing laws and policies, and/or the adoption of new ones, undertaking oversight functions to ensure accountability, achieve good governance, promote democracy, and participate in budget allocation processes. Parliamentary-CSOs engagement had contributed to preparing and presenting informed and evidence-based opinions and comments on draft bills. CSOs also work more in relaying the social needs of communities, contribute to parliament's oversight mandate, such as through extending expert assistance in the day-to-day work of parliamentary committee works, and participate in budgetary allocation. The Ethiopian Economics Association has also positively contributed to the parliament through its capacity-building training for MPs and the research team of the parliament.

10. Policy recommendation

This study has focused on the role of Ethiopian parliament in public debt oversight activity in the country. The study critically examined the power of parliament, its legal framework to conduct oversight and procedures of ratification. It also reviewed parliament's role in the country's debt management strategy. Thus, based on our findings, we have forwarded the following recommendations.

- The first and most important recommendation is establishing law and rules that ensure power to parliament in order to specifically oversee public debt activities. This will ensure a clear mandate and clear procedures for oversight and to hold to account the executive powers.
- Strengthening the office of the Debt Management Directorate, in terms of capacity building, is still vital. In this regard, strengthening parliament's relations with audit institutions, both domestically and international (including the World Bank and IMF) is recommended. This will improve follow-ups, maintain transparency and share experiences in the area of debt management.
- Another important intervention would be to limit the executive dominance by law. This will ensure the financial and administrative autonomy of the parliament as a whole, as well as its individual members.
- Finally, building the capacity and knowledge of MPs on oversight activities is recommended so that they can contribute to the wise use of those loans and support. This may help to reduce the level of the country's debt risk from its current high to medium level risk by avoiding malpractices.

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Annex 2: About the authors

Tesfaye Melaku Merra is assistant professor at Jimma University and a PhD candidate in applied Economics at University of Antwerp, Belgium, since 2021 to date. His areas of research interest are macroeconomic issues such as development finance, debt analysis, Economic growth, Monetary and fiscal policy analysis among others. He has more than fifteen publications in macro and microeconomic areas.

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Annex 3: Public Debt Integrity series 2025

The role of parliaments in public debt oversight in Africa

This paper is published as part of the “Public Debt Integrity Series”, a joint knowledge building initiative of AFRODAD, the African Forum and Network on Debt and Development, and WFD. The papers in this series research different aspects of the role of parliaments in public debt oversight in Africa. The full list of papers is:

1. Bernard Njiri, Ruth Kendagor, Veronicah Ndegwa, Martin Kabaya, Charles Gichu, Davis Wachira: **Outcomes, constraints and examples in parliament’s role in debt oversight during the different phases of the budget cycle**.
2. Oke Edward Epia: **Legislative oversight and the inverse proportionality of debt and development**
3. Abraham E. Nwankwo: **Remedying a gap in African parliaments’ oversight of public debt**
4. Philip Mwiinga: **Strengthening Zambia's Debt Oversight: Lessons from a Comparative Analysis with Sub-Saharan Legislatures**
5. Ernest Ereke: **The National Assembly and sustainable debt management in Nigeria**
6. Ben Cormier: **Taking the political economy of borrowing seriously: constraints on parliamentary oversight of government debt**
7. Mitchell O’Brien: **Pivoting Parliamentary Scrutiny of Climate Finance from Approval to Performance Oversight: A potential role for parliaments in enhancing investor confidence in future Sustainability-Linked Sovereign Bond (SLSB) Issuances in Africa?**
8. Tesfaye Merra and Danny Cassimon: **The Political Economy of debt in Ethiopia: Assessing the Role of Parliaments in Public Debt oversight**
9. Robert Tumukwasibwe: **Legislative oversight of public debt in Uganda: a critical appraisal**
10. Grieve Chelwa, Paolo de Renzio, Ntazana Kaulule: **Accountability Failures: Investigating the origins of Zambia’s 2020 debt crisis**
11. Sally Torbert, Elena Mondo, Jean-Pierre Degue, Ivy Kihara: **Parliaments’ engagement with civil society, and the public more generally, in public debt management**
12. Jaime Guiliche: **The Role of Parliament in Overseeing Public Debt Management in Mozambique**
13. Abdul-Gafar Tobi Oshodi: **Parliamentary oversight and Chinese loans in Africa: The case of Ghana and Nigeria**

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