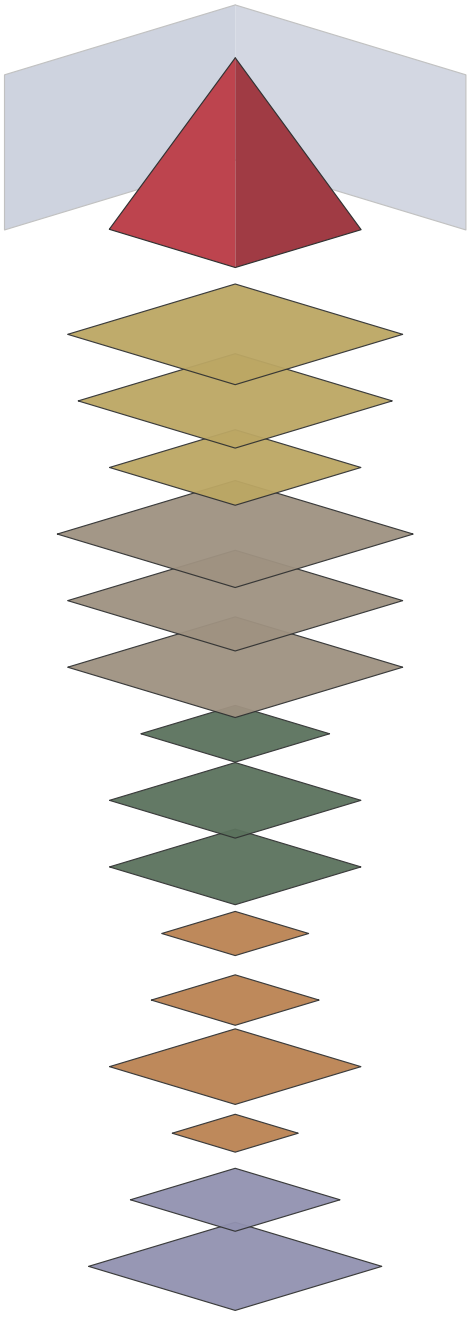
Africa
ORGANISED CRIME INDEX 2023

enact
Enhancing Africa's response to transnational organised crime

This project is funded by the European Union

ETHIOPIA



5.68
CRIMINALITY SCORE

19th of 54 African countries
7th of 9 East African countries

CRIMINAL MARKETS	6.07
HUMAN TRAFFICKING	8
HUMAN SMUGGLING	7.5
EXTORTION & PROTECTION RACKETEERING	6
ARMS TRAFFICKING	8.5
TRADE IN COUNTERFEIT GOODS	8
ILLICIT TRADE IN EXCISABLE GOODS	8
FLORA CRIMES	4.5
FAUNA CRIMES	6
NON-RENEWABLE RESOURCE CRIMES	6
HEROIN TRADE	3.5
COCAINE TRADE	4
CANNABIS TRADE	6
SYNTHETIC DRUG TRADE	3
CYBER-DEPENDENT CRIMES	5
FINANCIAL CRIMES	7

CRIMINAL ACTORS	5.3
MAFIA-STYLE GROUPS	2
CRIMINAL NETWORKS	6.5
STATE-EMBEDDED ACTORS	5
FOREIGN ACTORS	6
PRIVATE SECTOR ACTORS	6

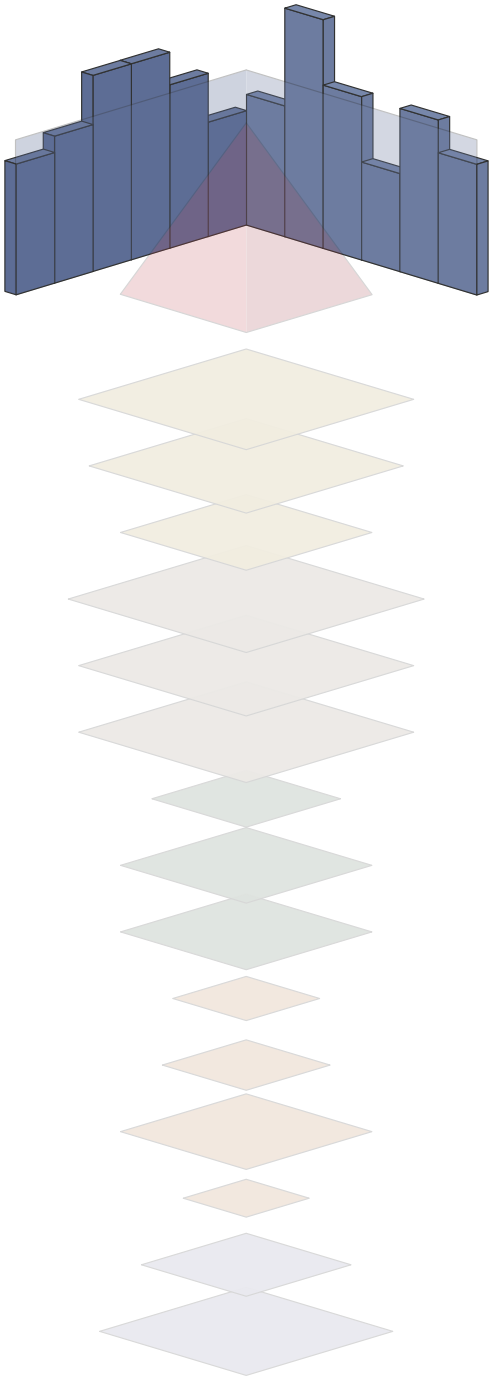
4.75
RESILIENCE SCORE

Africa
ORGANISED CRIME INDEX 2023

enact
Enhancing Africa's response to transnational organised crime

This project is funded by the European Union

ETHIOPIA



4.75
RESILIENCE SCORE

14th of 54 African countries
2nd of 9 East African countries

POLITICAL LEADERSHIP AND GOVERNANCE	4
GOVERNMENT TRANSPARENCY AND ACCOUNTABILITY	4.5
INTERNATIONAL COOPERATION	6
NATIONAL POLICIES AND LAWS	6
JUDICIAL SYSTEM AND DETENTION	5
LAW ENFORCEMENT	3.5
TERRITORIAL INTEGRITY	4
ANTI-MONEY LAUNDERING	7
ECONOMIC REGULATORY CAPACITY	5
VICTIM AND WITNESS SUPPORT	3
PREVENTION	5
NON-STATE ACTORS	4

5.68
CRIMINALITY SCORE

CRIMINAL MARKETS	6.07
CRIMINAL ACTORS	5.3

CRIMINALITY

Criminal Markets

PEOPLE

Ethiopia remains a source and, to a lesser extent, destination and transit country for men, women, and children subjected to forced labour and sex trafficking. Many trafficked individuals start their journey voluntarily but become vulnerable to abuses en route to the Middle East, Europe, or North America. Internal trafficking also occurs from rural to urban areas. The Ethiopia–Tigray conflict undermined the capacity of the federal government to maintain a state monopoly on violence. This has changed the dynamics of human trafficking in the country, and armed groups are proliferating with impunity. The war resulted in tens of thousands of Ethiopians seeking asylum in Sudan. In addition, more than 6 million Ethiopians are internally displaced, making them highly vulnerable to human trafficking and smuggling. This number has likely increased owing to the ongoing conflict in Oromia, Benishangul-Gumuz, border areas of Tigray, Amhara, and Afar, and the inaccessibility of these regions to the government. Thousands of children have been separated from their parents because of the conflict and are at risk of abuse, exploitation, and child labour.

Ethiopia is a country of departure and transit for individuals smuggled to countries in Southern Africa, as well as Europe and the Middle East. Smuggling occurs across borders to and from all neighbouring countries, with migrant smuggling networks often facilitating the flow of movement. Irregular migration out of Ethiopia generally follows three main routes: the eastern route towards Djibouti and Somalia for onward travel to Yemen, the western route into Sudan, and the southern route into Kenya for onward transit to Southern Africa. The number of refugees being smuggled to Ethiopia has decreased owing to the ongoing war in the country, but the number of Ethiopians smuggled to neighbouring and other countries is likely to increase. Saudi Arabia remains the primary destination for individuals smuggled from Ethiopia.

Protection racketeering has increased in urban areas, with criminal networks providing so-called security services and using violence to control territories. Abduction, rape, and extortion are now routine in the Amhara region owing to the actions of local Fano militias (an ethno-nationalist youth militia in Amhara region). Initially, the Fano were used to combat Tigray fighters. However, some segments are becoming extortionist. They demand ransom and other monetary payments from local people, including passing vehicles. Some Amhara investors in areas such as western Tigray and Benishangul-Gumuz have hired members of this group to intimidate other investors and ethnic groups. This group has also pillaged properties and businesses in Tigray.

TRADE

Ethiopia, because of its position on the Horn of Africa, is both a source and transit route for arms trafficking. Weapons flow freely in both directions across long porous borders with Djibouti, Somalia, Kenya, South Sudan, and Sudan. The Ethiopian state has regularly violated the arms embargo imposed on Somalia by providing weapons to friendly regional and proxy forces. The civil war in Tigray has also led to an escalation in small arms and light weapons trafficking in the region. The demand for illicit small arms has increased owing to the destructive rhetoric of politicians, ethnic tensions, and conflict in other parts of the country. Illicit small arms are smuggled into Ethiopia from Turkey and Houthi controlled territories in Yemen. Internally, firearms are smuggled easily from war-torn areas into other parts of the country, specifically Addis Ababa. Around Moyale, the main border crossing between Ethiopia and Kenya, local business owners finance both weapons and human smuggling, using revenue generated from one to facilitate the other. Corruption and unlawful power dynamics enable this local illicit economy to function.

Illicit imports and exports, including counterfeit and excise goods, are also a major challenge to Ethiopia's economy. The number of contrabandists and tactics used have increased alarmingly. Sometimes these contrabandists are outfitted with sophisticated weapons and pose a threat to the country's security forces. The Ethiopian National Tobacco Enterprise reported that illicit cigarettes account for most of the market, with an overwhelming share in the eastern part of the country. Excise tax collection on beer is also low, a sign of increased tax evasion by local companies. The conflict in the country provides an appealing environment for smugglers, who have strong relationships with individuals in public office.

ENVIRONMENT

The trafficking of plants, illegal wildlife trade, and the illegal trade of non-renewable resources are relatively common in Ethiopia. The country has a moderate flora crimes market where plant species are trafficked for local drinks, food, and medicinal and fumigation purposes. Conflict and instability have resulted in a reduction in law enforcement against flora and fauna crimes, leading to an increase in deforestation and poaching. In the Tigray province, deforestation has reached an alarming level. Ethiopia is also a transit point on the Horn of Africa for illicitly traded ivory, rhino horn, skins, and live animals. Bole International Airport in Addis Ababa, which ranks among the largest airports on the continent and serves as a prominent international hub, continues to function as a key point for trafficked goods, including ivory and rhino horn. The demand for exotic pets among Gulf countries, particularly Saudi Arabia and the United Arab Emirates, has fuelled the growth in the capture and sale of cheetahs from Ethiopia, and the country's borders have become important trafficking transit points for wildlife.

Ethiopia is also an exporter of gold, silver, gemstones, marble, and tantalum. The country is a source and transit route for smuggled non-renewable resources, particularly gold, which is smuggled from Sudan through Ethiopia to the United Arab Emirates. Nonetheless, gold exploitation in Ethiopia is modest. Fuel is heavily subsidized, a situation abused by illegal traders, leading to intensified trade of contraband fuel with neighbouring countries, mainly Kenya and Somalia, which causes irregularities and disruptions in domestic fuel distribution.

DRUGS

Ethiopia's primary role in the transnational heroin trade is that of a transit country. Even though the consumption of this drug remains moderate, it is important to note that domestic supply is growing. Heroin is primarily imported via air and is often in transit to West African markets. Heroin also transits Ethiopia on its way to European and American markets, coming from South East and south-west Asia. Bole International Airport is considered a major transit point, receiving cocaine shipments from initial West African points of continental entry. In 2021 and 2022, the Ethiopian Federal Police seized significant amounts of cocaine sent from São Paulo, Brazil.

The production of cannabis is relatively high and smuggling to neighbouring countries is common. Most of the production is concentrated in rural areas, mainly around the town of Shashemene, where a small community of Rastafarians reside. While much of what is produced is consumed locally, improvements to the Ethiopia–Kenya highway seem to have resulted in an increase in cannabis smuggling into Kenya, with several large-scale seizures reported in recent years. There is no violence associated with the cannabis trade in the country. Ethiopia does not play a major role in the production of synthetic drugs or the precursor chemicals associated with the synthetic drug trade. The emergence of Mandrax has become an issue in the region, with the diversion of licit drugs and essential chemical precursors into the illicit market becoming a more common practice.

CYBER-DEPENDENT CRIMES

Despite being in the early stages of developing its information technology sector, Ethiopia has become increasingly vulnerable to cyber-attacks. Hackers targeted a wide range of entities, including financial institutions, government ministries, regional bureaus, academic institutions, and media houses. The most common types of attacks were website attacks, malware attacks, distributed denial of service attacks, basic infrastructure service interruptions, and the hacking of social media pages. Cyber-dependent crimes, mainly targeting financial institutions, are on the increase, causing significant damage to the economy and critical infrastructure.

FINANCIAL CRIMES

Financial crime is becoming increasingly prevalent in Ethiopia, with fraud being the most common. The banking industry has lost billions of birrs to fraud in the past four years, with half of these losses affecting the state-owned Commercial Bank of Ethiopia. Banking customers are regularly targeted by scammers through SMS and email. Tax evasion and avoidance are also widespread in Ethiopia. Corruption is an emerging issue in Ethiopia, with officials being known to embezzle money from party and state coffers. The acute shortage of foreign currency, owing to the country's trade deficit, is also a contributing factor to several types of financial crime.

Criminal Actors

Criminal networks, including those involved in human smuggling, arms trafficking, drug trafficking and wildlife trafficking, operate in Ethiopia, and many are connected to networks in neighbouring countries. African drug traffickers are very active in the country, while West Africans and Chinese nationals are involved the illicit trade of fauna. With regard to human smuggling, operations based in Ethiopia range from groups of criminal entrepreneurs and opportunists loosely linked to each other, to highly

organized crime syndicates that span several countries. Several smuggling networks are also involved in arms trafficking and illicit financial flows.

Despite the Ethiopian government's recent anti-corruption efforts, including the conviction of multiple former government officials and executives of state-owned companies for mismanagement of public funds and/or involvement in arms trafficking, corruption in the country is increasing. The gradual process of economic liberalization in Ethiopia is providing new opportunities for misappropriation, particularly in the private sector. In fact, the latter is still not adequately regulated, with individuals and entities abusing their licenses to operate legal businesses and participating in various illegal activities. In addition, the country's import and export business is vulnerable to trade-based money laundering owing to a limited understanding and the lack of resources to detect suspicious trade transactions, the intermingling of legitimate and illegitimate trade, and corruption among customs and law enforcement personnel. While there are no identifiable mafia-style groups in Ethiopia, there are community security groups that engage in illegal activities for economic reasons.

RESILIENCE

LEADERSHIP AND GOVERNANCE

Ethiopia's current leadership initiated ambitious reforms to combat various forms of organized crime, including human trafficking, contraband, arms smuggling, and illicit financial flows. However, the civil unrest that led to the former prime minister's resignation and a surge of ethnic Ethiopian nationalism has significantly reduced the government's ability to implement these initiatives, and state efforts predominantly focus on the war. In fact, the ongoing conflict involving the Tigray People's Liberation Front and the Ethiopian federal government, supported by the Eritrean army and Amhara regional state forces, has led to millions of people facing starvation. In addition, ethnic tensions elsewhere in Ethiopia pose a severe threat to the country's governability. Foremost among these are the conflicts in the Oromo and Benishangul-Gumuz regions. This situation has provided an ideal environment for the growth of organized criminal activities such as arms smuggling, human trafficking, and illicit financial flows. Corruption remains an issue in Ethiopia, but is considered less of a problem than in other countries in the region. Measures to combat corruption have been criticized for being instituted as part of a political strategy rather than with genuine intent.

Ethiopia has ratified several international treaties and conventions related to organized crime and has joined regional and international organizations to prevent and suppress organized crime, but challenges regarding the implementation of these initiatives, such as coordinated seizure actions with international partners, remain. Ethiopia has a robust legislative framework criminalizing various forms of organized crime and is consistently enhanced through amendments and new regulations. However, enforcement of these regulations remains a concern in the country.

CRIMINAL JUSTICE AND SECURITY

The judiciary in Ethiopia is theoretically independent, but it has not often opposed the government. However, the appointment of a new chief justice of the supreme court has given rise to hope for judicial reform. There is a special branch on organized crime in the Ethiopian judicial system, and several individuals have been convicted of human trafficking and migrant smuggling. Despite efforts to develop the country's capacity to fight organized crime, the ability of the federal authorities to enforce laws has decreased in most of the federal states. Corruption and impunity remain major challenges faced by the police force in Ethiopia.

Ethiopia shares borders with six countries, and border control agencies have introduced policies to enhance their capacity to prevent irregular migration, but the borders are extremely porous and challenging to control. The territorial integrity of Ethiopia has been under threat owing to various armed conflicts. The most relevant is the civil war in Tigray, which resulted in the Ethiopian government accusing Sudan of invading its territory. Meanwhile, the Eritrean army has entered Ethiopian territory in support of the federal government and remains active in the war, controlling several borderlands. Besides the conflict in Tigray, several groups across Ethiopia are involved in political struggles. Foremost among these are the Oromo Liberation Army and the

Benishangul People's Liberation Movement. The Tigray People's Liberation Front and the Oromo Liberation Army, in association with several other anti-government factions, recently created a new alliance with the aim of overthrowing the Ethiopian government. Overall, these incidents highlight the fragility of Ethiopia's political and security situation, and the potential for organized crime to take advantage of the country's weakened state. Regarding cyber-security, most cyber-attacks in Ethiopia have been thwarted before they could cause any significant harm. However, they are a cause for concern because of the vulnerability of the country.

ECONOMIC AND FINANCIAL ENVIRONMENT

As a result of improving its anti-money laundering/countering financing of terrorism (AML/CFT) regime, Ethiopia has been removed from the Financial Action Task Force's list of countries with strategic AML deficiencies. However, Ethiopia's AML/CFT laws and regulations require further strengthening. The primary sources of illicit proceeds in Ethiopia are corruption, tax fraud/evasion, human trafficking and smuggling, arms trafficking, and contraband. Ethiopia's Financial Intelligence Service has implemented several reforms, including a new software system to track and control criminals involved in money laundering and terrorist financing. Despite these measures, Ethiopia still faces a high threat of money laundering and terrorist financing.

Ethiopia's economy is cash intensive, which contributes to the spread of corruption, illicit and informal trade, and illicit financial flows. To mitigate this vulnerability, the government has enacted laws limiting cash withdrawals and the amount of cash that can be held per individual and legal person. In addition, the central bank has outlawed local money transfer services and the depositing of cash into third-party accounts, allowing only account-to-account transfers. Transfers between accounts have also been restricted to five per week. The financial services sector remains closed to foreign investment.

CIVIL SOCIETY AND SOCIAL PROTECTION

The Ethiopian government has made efforts to tackle human trafficking and prevent crimes related to it. The country recently passed legislation that incorporates a scheme to support, rescue, and rehabilitate victims of trafficking. Ethiopia has also made efforts to raise awareness about trafficking-related crimes and improve oversight in recruitment agencies. However, child sex trafficking has remained unattended and there are still no standard procedures to identify trafficking victims among vulnerable migrants. The government has conducted public awareness campaigns on cybercrime and cyber-attacks and worked with banks and the customs commission to reduce illicit trade.

Since the start of the conflict in Tigray, multiple press freedom violations – including shutting down media outlets and the arrest and even murder of journalists – have been recorded in the country. Civil society organizations are either silenced or forced to take the side of the government in support of the war. Journalists or media outlets that deviate from the official line are considered 'pro-terrorist'. Even though foreign-funded civil society organizations are no longer prohibited from undertaking advocacy and human rights work in Ethiopia, in practice they remain weak and are unable to engage publicly in these activities. The Ethiopian government has suspended the work of many international aid organizations, accusing them of spreading misinformation.