

Newsletter



Ethiopian Embassy in Brussels

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Weekly Issue N° 20



Visitors enjoying Ethiopian coffee at the Embassy stand, last weekend at the Luxembourg tourism fair

Dear Reader,

This week, we inform you about the visit of the Turkish President to Ethiopia, the electoral process, as well as about recent investments of H&M in Ethiopia and the presence of the Embassy at the Luxembourg tourism fair.

We hope you will enjoy reading these articles.

Sincerely,

The Ethiopian Embassy in Brussels

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http://youtu.be/IgpZL_T0ARI

Ethiopia-Turkey relations “reached a record high”

President Recep Tayyip Erdogan of Turkey visits Ethiopia

Turkey’s President Recep Tayyip Erdogan arrived in Addis Ababa, late on Wednesday (January 21) on the first stage of an official visit to countries in the Horn of Africa. President Erdogan is accompanied by his wife and daughter, Emine and Summeye Erdogan, as well as ministers including Deputy Prime Minister Numan

22), President Erdogan held meetings with President Dr. Mulatu Teshome and Prime Minister Hailemariam Desalegn as well as other officials. President Mulatu was Ethiopia’s former ambassador to Ankara. Ewnetu Belata, State Minister of the Government Communications Affairs Office said “President Erdogan is most welcome

in Ethiopia at this time when the partnership between the two countries has reached a record high. Turkey leads the pack of industrialized countries in terms of foreign direct investment in Ethiopia, with more than 350 Turkish companies operating in Ethiopia to date and they have created jobs to more than 50,000 Ethiopians”, as well as providing for technology and knowledge transfer. According to the Turkish Ambassador to Ethiopia, Osman Riza Yavuzalp, Turkish investment in Ethiopia stands at US \$ 3 billion.

President Erdogan’s three-day visit to the Horn of Africa, which will include a visit to Djibouti where he will hold talks with President Ismail Omar Guelleh, is part of Turkey’s efforts to strengthen trade, economic and investment ties in the region. According to Turkish government data, the volume of trade between Ethiopia and Turkey reached US \$422 million in 2013, and in the first 11 months of 2014 it was US \$ 360 million, seven percent down on the previous period in 2013. A statement from the Turkish Presidential Palace said Turkey had “increasing economic, trade and investment ties with the

countries in the region especially with Ethiopia.” It added that President Recep Tayyip Erdogan’s visit aimed to further strengthen and deepen the continued growth of these business ties as well as long-standing relations with Ethiopia and the region.

Source: MFA



Turkey’s President Recep Tayyip Erdogan and Ethiopia’s Prime Minister Hailemariam Desalegn

Kurtuand, a delegation of officials and businessmen. The President was received by Ethiopian Prime Minister Hailemariam Desalegn and Osman Riza Yavuzalp, the Turkish ambassador in Ethiopia. On Thursday (January

Ethiopia: Success of voter registration confirmed

The number of voters registered during the past 10 days has jumped over 23 million, according to National Electoral Board of

NEBE Public Relations Director, Demisew Benti, told ENA that 23,289,852 voters were registered up until Sunday 18 January 2014. Of the total registered voters, close to 11.3 are female, he said. The registration shows the active participation of voters and the momentum should be

kept until the final day of registration, on 12 February 2015, the director stated. Some 35 million voters are expected to get registered for the May Election.

Source: ENA, 20 January 2015

World Bank: Poverty in Ethiopia down 33 per cent since 2000

Agricultural growth was the main driver of poverty reduction in Ethiopia since 2000, according to the World Bank Group's latest Poverty Assessment.

Addis Ababa, 20 January 2015 (WIC) – Poverty in Ethiopia fell from 44 percent in 2000 to 30 percent in 2011, which translated to a 33 percent reduction in the share of people living in poverty. This decline was underpinned by high and consistent economic growth. Since 2005, agricultural growth has been responsible for a reduction in poverty of 4 percent a year, suggesting that the agricultural growth strategy pursued by the Government of Ethiopia has paid off. High food prices and good weather ensured that increased use of fertilizer was translated into higher incomes for poor farmers with access to markets.

Government spending on basic services and effective rural safety nets has also helped the least well-off in Ethiopia. The Productive Safety Net Program alone has pushed 1.5 million people out of poverty. "Although Ethiopia started from a low base, its investment in pro-poor sectors and agriculture has paid-off and led to tremendous achievements in economic growth and poverty reduction, which in turn have helped improve the economic prospects of its citizens," says Guang Zhe Chen, World Bank Group Country Director for Ethiopia. The pace of poverty reduction in Ethiopia has been impressive, especially when compared with other African countries; only Uganda has had higher annual poverty reduction during the same period. Health,

education, and living standards have also improved, with undernourishment down from 75 percent to 35 percent since 1990 and infant and child mortality rates falling considerably since 2000. Ethiopia is one of the most equal countries in the world, and has remained so during this period of economic development and poverty reduction. "Ethiopia is often unfairly seen as emblematic of poverty and deprivation—but the progress it has seen over the past decade should help change that," says Ana Revenga, Senior Director for Poverty at the World Bank Group. "If this progress continues over the next decade, Ethiopia can propel itself and most importantly, its people into a new era of prosperity."

Source: World Bank



THE WORLD BANK

H&M: “Ethiopia is a country with a huge development and growth potential”

The retailer discovers attractive manufacturing market in Ethiopia

Global clothing retailer H&M has recently placed its first orders with garment manufacturers in Ethiopia. The orders mark an important step in the direction of developing Ethiopia’s economy. A market, where every year an additional 1.4 million young people are looking for a job. “We see potential in Ethiopia, and have therefore started to source on a small scale”, H&M spokesperson Andrea Roos says. A global company with stores in 56 countries and a competitive edge to its price tags, H&M – formerly known as Hennes & Mauritz – is permanently on the outlook for upcoming garment-producing industries to source its products from. But not only does it draw from such markets, H&M is rather keen to contribute as well. Andrea: “Ethiopia is a country with a huge development and growth potential, and we see that we can contribute to job creation and raise sustainability standards in the textile industry. We have one of the highest sustainability standards of any clothing company in the world for our suppliers. A commitment to our code of conduct is mandatory if a supplier is to enter into a business relationship with us.”

‘State Under Construction’

Ethiopia is ‘a state under construction’, and its government is keen to usher in foreign direct investment, manufacturing companies and orders placed with Ethiopian producers. Ethiopian ambassador to the European Union, Mr Teshome Toga Chanaka, points out that his government likes to think of its role as creator of a conducive private-sector environment: “We are building infrastructure networks, invest in human resources through education, provide financial support, and are putting a legal framework in place.” Mr Chanaka continues: “the Ethiopian government wants the country’s growth to be inclusive. We implement ‘pro-poor’ policies as we think it is our responsibility to create opportunities for all segments of society, including the low-income strata. By means of vocational training and a legal framework that protects workers’ rights,

we work to make sure that everyone benefits from the investment flows into Ethiopia.” On H&M’s side, its code of conduct lays out a minimum of requirements for the brand’s suppliers and their subcontractors. The code places restrictions on contractors in such areas as child labour, workers’ safety, compensation, leave and overwork, and promotes workers’ equal rights. Additionally, the documents showcase H&M’s care in handling of chemicals and disposal of wastewater. Andrea: “The suppliers we work with in Ethiopia fulfill our high sustainability standards, and have committed to our code of conduct.”

No predictions about possible expansion

“We believe that H&M’s decision to start sourcing from Ethiopia sends an important message to the international investor community”, says Ambassador Teshome Toga. “The fact that a globally known chain like H&M purchases from Ethiopian manufacturers means that our workforce is capable of meeting the chain’s high-quality manufacturing standards. At this point in time, H&M decided it wants to source from Ethiopia. If in the future it were interested to open a manufacturing facility of its own, the government of Ethiopia would warmly welcome that idea.” However, H&M’s nascent trade relationship with Ethiopia should not be interpreted to have definite implications for



the future, according to Andrea: “We choose not to make any predictions about possible expansion. H&M is an expansive company and we always look for new potential sourcing markets, but this does not mean we will stop buying from existing ones.”

Source: H&M

Tourism opportunities in Ethiopia colorfully promoted at the Luxembourg tourism fair



The mission, with the view of promoting Ethiopian tourism destinations, participated to the Luxembourg tourism fair “VACAZ Luxexpo” in collaboration with Ethiopian Airlines on 16, 17 and 18 January. The fair was attended by 200 exhibitors and over 3,000 visitors. At the colorful stand, visitors could get information and watch videos about tourism opportunities in

Ethiopia, but also enjoy a traditional coffee ceremony. The delegates of the Embassy initiated contact with different tour operators which are now considering to include Ethiopia in their tour packages. This tourism fair was organized two weeks after another tourism fair in Leuven (Belgium), where the Embassy was also represented (See Newsletter N°18 of 9 January 2015).

Reminder: Privatization and joint-ventures calls made public

The Ethiopian government published a list of companies to be privatized. The offers have to be submitted before 5 March 2015. For more information, contact the Embassy or visit our website:
<http://ethio.be/1zn92uF>

Moreover, a list of Ethiopian investors looking for foreign partners has also been made available by the Ethiopian government. For more information, contact the Embassy or visit our website:
<http://ethio.be/17PipYw>

ABOUT THE EMBASSY

Working Hours: 9:00 – 13:00 & 14:00 – 17:00

Consular Service: Monday – Friday 09:00 – 13:00

Legalization and Power of Attorney: Monday – Thursday 9:00 – 13:00

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