

Newsletter



Ethiopian Embassy in Brussels

13 February 2015
Weekly Issue N° 23



Ambassador Teshome Toga with the organizers of the Ethiopian stand at tourism fair "Salon des vacances" in Laeken, near Brussels, on 6 February 2015

Dear Reader,

As you will see, our newsletter is now divided in different sections. We hope this new structure will make it easier to read and more interesting!

Sincerely,

The Ethiopian Embassy in Brussels

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http://youtu.be/lgpZL_T0ARI

Political Affairs

The six-months performance report presented to House of People's Representatives by the Prime Minister

Prime Minister Hailemariam presented the government's first report of the fiscal year to the House of Peoples' Representative on 5 February 2015. The Prime Minister underlined that Ethiopia's rapid growth was continuing with Gross Domestic Product (GDP) reaching 1.1 trillion birr and GDP per capita now standing at US\$ 632.

noting that the activities to increase national savings were having tangible effects, he also underlined that a huge effort was needed to increase public revenue. The Prime Minister said Ethiopia's public debt level was one of the lowest in the world. He also noted that the rating agencies which had rated Ethiopia B and B+ had helped

the country to achieve success one billion dollar bond sale. This would make a substantial contribution to increase investment inflows.

Referring to development of the agricultural sector, the Prime Minister said that activities undertaken to increase productivity were bringing commendable results. In the current fiscal year, 28.7 million tonnes of agricultural produce are expected to be harvested. In manufacturing, he said the Government was working to alleviate major bottlenecks associated with infrastructural

development and provision of land. He stressed that expansion of industrial zones would be given due attention to encourage the growth of the manufacturing sector. Small and Medium Enterprise Projects had created over one million jobs over the past six-months, he said; and the housing project had constructed 159,000 condominiums over the past four and half years. The Prime Minister noted that the Grand Ethiopian Renaissance Dam was now 40% complete; the Gilgel Gibe III Dam project 89% and the Genale Dam project 66% complete. The Addis Ababa Light Railway project was 87% complete; and the Addis Ababa-Dewaleh project 80% complete and should become operational next Ethiopian year. In addition, the Prime Minister mentioned that women's participation in local government councils has reached 32; remarkable achievements had been made in reducing the maternal mortality rate by 69% over the past 20 years. Prime Minister Hailemariam welcomed the widespread and active participation in the forthcoming election and

Discussing the transformation of the economy, he noted that the contribution of the agricultural sector to GDP had dropped from 45% to 40% while industry had increased from 11% to 13%. The service sector share in the economy has also marginally increased from 45% to 46%. The Prime Minister said the economy is expected to register 11.4% growth for the whole year and the agricultural sector is therefore expected to grow by 8.5% overall while industry and the service sector are expected to grow by 23% and 9% respectively. Revenue from gold, textile and horticulture falling short of targets while coffee and cut-flowers have increased.

In regard to public finance, Prime Minister underlined that the Government was working to curb contraband and regularize the informal sector in order to expand the tax base. In the past six months, revenue of 69.5 billion birr had been collected from tax and non-tax revenue sources. This was an increase of 16.4% compared to the equivalent period in the last Ethiopian fiscal year. While



urged everyone to ensure that the election in May would be free, peaceful and fair.

The Prime Minister also spoke on foreign policy, underlining that Ethiopia's policies of mutual cooperation and mutual benefit were yielding positive results in the strengthening of cooperation with neighboring countries and partners. He said the Ethiopian Public Diplomacy mission to Cairo had been successful in promoting Ethiopia's stance over equitable utilization of the Nile Waters. He said the Government's engagement with the Government of Egypt had resulted in the resumption of the Tripartite Talks. These were continuing. The Prime Minister said the sanctions imposed on Eritrea should be fully applied and continued as Asmara was continuing its efforts to destabilize the region. He said the international community was well aware of Eritrea's behavior. The Prime Minister welcomed the 10 year strategic plan signed between Ethiopia and China to boost their strategic partnership particularly in the area of infrastructural development. He also hailed the US-Africa Summit as an important landmark in promoting relations between the two areas, and he cited President Obama's remark that Ethiopia provided an exemplary model of progress and security and the US's desire to strengthen cooperation. He said his visit to Germany had been successful, allowing vital discussions on bilateral and regional matters; and the German Government's announcement that it would provide financial guarantees for investors in Ethiopia was important for attracting investment.

The Prime Minister also briefed the House on the strategic partnership with Djibouti which he said was expanding in all possible areas of cooperation. He noted that the bottlenecks that had occurred in port service and logistics had been addressed after successful political consultations, and referred to the successful meetings of border administrators which had helped to alleviate problems. Overall, the Prime Minister said Ethiopia's strategic partnership was continuing to grow, and he said Ethiopia wanted to bring the bilateral relation of the two countries a notch higher by scaling up social and economic ties in addition to security and military cooperation operating at the level of joint border patrolling.

The Prime Minister highlighted efforts being made to increase Diaspora participation in the economy and in Ethiopia, and reminded the House of the dedication of the year 2007 as Diaspora Mobilizations' Year. He said efforts were underway to put in place the necessary

regulatory framework to launch the Diaspora housing program.

Following the presentation of his report the Prime Minister responded to questions. On the question of agricultural investment, he noted the Government was working to rectify bottlenecks that had been delaying projects and said it was undertaking detailed studies on land prepared for agricultural investment, focusing on identifying suitable land for agricultural products and improving infrastructure. He acknowledged that maladministration at local government level had played a role in causing problems for agricultural investment. The Government was working to resolve this. He told the House that the Government would not tolerate political parties that attempt to disrupt the election process, and he regretted smear campaigns against the National Electoral Board. This, he said, showed disrespect to the institutions established by the House and the Ethiopian People. He said that parties should rather consider their own internal cohesiveness or lack of it, rather than blame the Board for any internal divisions. The Prime Minister emphasized that the Government will continue working to increase the numbers of women in decision-making roles at all levels.

On South Sudan, the Prime Minister noted that Ethiopia would continue to support the efforts to enable the South Sudanese factions reach a final peace settlement to bring lasting peace to their country. He cited IGAD's unrelenting attempts in this, hosting eight mediation meetings. He said Ethiopia was currently hosting a number of South Sudanese refugees equivalent to the population of the Gambella Regional State. He said Ethiopia's role was supportive and it was the leadership and the people of South Sudan who must bring peace. The Prime Minister also responded to a number of other questions on development, on tax, and on pastoralists as well as other issues.

Source: MFA

Prime Minister Hailemariam : Ethiopia and Djibouti are surfing in a same boat

During a historical visit to Djibouti, Prime Minister Hailemariam Dessalegn met with President of Djibouti,

extended to him and his delegation, and said he is “delighted to come to Djibouti and especially on such occasion- to further lift and cement the all rounded, multidimensional, relationship between our two countries.” Speaking on the growing developmental efforts of the two countries, he said, Ethiopia and Djibouti are “surfing in the same boat.” The Premier praised the Government of Djibouti for its role in the efforts made at solving regional challenges. He particularly hailed the Government of Djibouti for “the very important role it has been playing to bring peace and stability to Somalia and to the South Sudan within the IGAD framework.” On his part, President Omar Guelleh said “Our successes as economically, politically and socially rich nations are dependent on each other and we will



use this visit to continue to identify ways to integrate and to grow our economies to create prosperity and security in East Africa.” During his visit to Djibouti, Prime Minister also hold a meeting with local Ethiopians, and made a speech in front of the Djibouti Parliament.

Ismail Omar Guelleh on 07 February 2015. The trip was organized to participate to the first Ethiopia-Djibouti High Level joint commission meeting, aimed at bolstering the bilateral relation of the two countries particularly by expediting the economic integration. Prime Minister Hailemariam was accompanied by a delegation of senior government officials. Prime Minister Hailemariam Dessalegn praised the warm welcome

Source: MFA

Read further (French):

Visite inédite d'un Premier ministre éthiopien à Djibouti
<http://www.jeuneafrique.com/Article/ARTJAWEB20150210171022/>

The tripartite dialogue on Nile waters is on progress

According to The Cairo Post, Egypt, Ethiopia and Sudan will meet on March 1 in Khartoum to evaluate bids offered by consultation companies for conducting studies on the Grand Ethiopian Renaissance Dam (GERD). The deadline for the five companies to submit their offers is on 12 February the Tripartite National Committee will study the offers in a 10-day period. The

three countries agreed during Cairo negotiations in October 2014 to choose a law office to contract with the consultant office that will be chosen by the 12-member Technical National Committee (TNC) of the three countries.

Economy

“Ethiopia bets on grand projects in drive for industrial power”

An article published this week by Reuters assesses the development strategy of Ethiopia, which is based on major infrastructure projects: railway, road and dam projects, as well as a metro line, the first urban light railway network in Sub-Saharan Africa. According to the article, Ethiopia is furthermore trying to become a manufacturing hub, on the model of Asia’s economic successes. The high growth of the country is analyzed to be mainly due to the public investments of the last years. The author argues that the emphasis should now also be put on the development of the private sector: although the country has a good state capacity and a high commitment to development, more room could be given to private businesses.

The IMF said last year that the total debt, which lays at about 50 percent of gross domestic product, is still manageable for the moment, but that it could change if it rises much more. The government of his side says that the debt is sustainable, and that the stability and security in the country is one major argument to attract private businesses, which would also take advantage of the good infrastructure. Some major investors already present in Ethiopia, like

H&M, Unilever, Diageo and Heineken suggest that the interest for investments in the country is real.

The Ethiopian strategy also consists in using revenues coming from the bank and telecom sectors to fund national projects such as infrastructure. The article finally points out the need for more financing options



Construction of the light railway in Addis Ababa

and lending capacity of the banks, if Ethiopia wants to be able to reach a middle-income status by 2025.

To go further:

Read the full article:

<http://www.reuters.com/article/2015/02/08/us-ethiopia-economy-insight-idUSKBN0LC0C320150208>

Watch a video report by Al-Jazeera about the new light rail system: <http://youtu.be/Q3qpxpl4H3A>

First Ethio-Swedish agro technology Forum

The first Ethio-Swedish Agro Technology Forum for the dairy, sugar and energy sectors was held at Sheraton Addis on 11 February 2015 in presence of Ethiopia’s State Minister of Industry, Dr Mebrahtu Meles and Ambassador of Sweden to Ethiopia Jan Sadek. The Forum was organized by the Ethiopian Embassy in

Stockholm and the Ministry of Foreign Affairs of Ethiopia in collaboration with Valley International Projects (VIP), founded by Swedish businessman Carl Gustafsson and his Ethiopian partner Akal Mamo. The forum was attended by about 50 people engaged in the sectors.”

Ethiopian growth maybe higher than 7% in the next years

Interviewed during the program “Closing Bell” on CNBC, World Bank expert Lars Christian Moller estimates that the growth of the Ethiopian economy will amount to 7% in the next years, and maybe more.

Watch the video:

<https://www.facebook.com/video.php?v=451676984979567>

Another video program by CCTV is examining the minor impact of inflation in this context of important growth:

<http://youtu.be/gddSdQhfV94>

Tourism

The Embassy participated in the “Salon des Vacances”, the Brussels tourism fair



Aiming to promote the Ethiopian tourism destinations, the Ethiopian Embassy in Brussels participated to the 2015 edition of the Brussels tourism fair “Salon des Vacances” in collaboration with Ethiopian Airlines, the Ethiopian Tour Operators Association and different Ethiopian tour operators from 5-9 February 2015. At the colorful Ethiopian stand, where visitors could enjoy a traditional coffee ceremony, eight Ethiopian tour operators were present, and informed the visitors about tourism opportunities in the different parts of the country, including tours in gorgeous landscapes, in historical and cultural places as well as bike tours, a new

offer which proved to be very popular among Belgian tourists. Ethiopian Airlines was also present at the stand, informing potential travelers on the high standards offered by the company for destinations in Ethiopia and other African countries. The Ethiopian representatives met several tour operators in Belgium working on African tourism destination. They are now considering to include Ethiopia in their tour packages. The “Salon des Vacances” was attended by over 750 exhibitors and nearly 100,000 visitors. According to the organizers, the tour sales have been on the rise compared to last year. The Brussels fair was the third

and biggest tourism fair attended by the Embassy this year, after a fair in Leuven (Belgium), and in Luxembourg (see respectively newsletters n°18 of 9 January 2015 and n°20 of 23 January).

In order to further promote tourism in Ethiopia, the Embassy and Ethiopian Airlines office in Brussels together with stakeholders in Ethiopia are planning to send 12 tour operators and journalists for a tourism

familiarization trip in the near future. Moreover, the Embassy organized the participation of two Ethiopian tour operators in a tourism fair in Estonia, in collaboration with the Benelux representatives of Ethiopian Airlines and Air Baltic. In Estonia, the two tour operators are expected to meet six Estonian tour operators considering to include African tourism destination in their tour packages.



Ethiopia tipped for tourism surge

The Annual report of one of Europe's biggest long-haul tour operators, Kuoni, lists Ethiopia among emerging destinations. Around 20,000 Britons visit Ethiopia each year, according to the Foreign Office, but that could increase with Kuoni offering trips there for the first time.

Read further:

www.telegraph.co.uk/travel/destinations/africaandindianocean/ethiopia/11402638/Ethiopia-tipped-for-tourism-surge.html

Other

Reader's Question of the week

Last week, we announced new New Ethiopian Broadcasting Corporation Television and Radio Streaming channels. A follower on Facebook asked us if we could provide the internet link to the new channels.

Here it is: <http://www.allcomtv.com>

Don't forget to submit us your questions! Mail us here: newsletter@ethiopianembassy.be

Vacancy Notice

The Embassy is looking for a research officer. More information here:

<http://www.ethiopianembassy.be/wp-content/uploads/Vacancy-Notice-Resarch-Officer.pdf>

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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