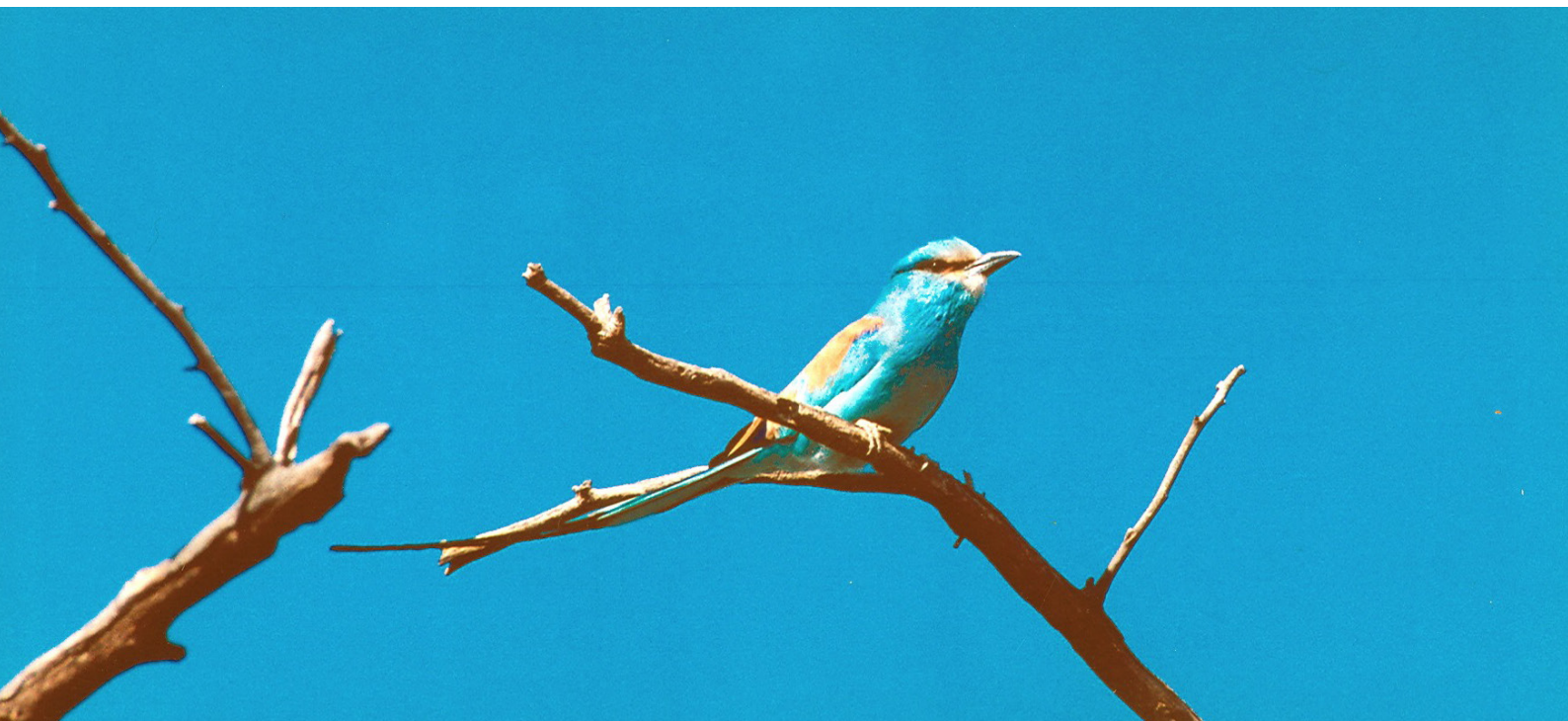


Newsletter

Embassy of Ethiopia, Brussels



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The Eurasian Roller © Ethiopian Ministry of Tourism

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POLITICAL ISSUES

Prime Minister’s meeting with residents of Jimma

Prime Minister Hailemariam Desalegn on Thursday 21 May 2015 held a meeting with residents of Jimma and its environs. The Premier noted Ethiopia’s steadfast all-rounded growth is a reflection of the public’s transformed mindset. He vowed to address some loopholes in good governance issues.

Participants underlined various social, economic and political programs launched by the government that have benefited them. Recently inaugurated and proposed projects in the Jimma area are examples

in this regard, the participants noted.

However, the residents urged the Prime Minister to resolve problems related to roads, electricity, land administration, tax collection and good governance. They also called on the government to tackle illegal human trafficking, a deeply-rooted problem in the zone.

According to FBC, the Premier assured the residents that the government will take a coordinated effort to promote good governance and most of the developmental issues will have answers in the Growth and Transformation Plan II phase.

Source: Walta Information Centre

The Countdown to the Fifth National Elections in Ethiopia has begun



Historical background

Ethiopia’s democratic constitution, which was adopted in 1995, is the outcome of a comprehensive dialogue among the various nations and nationalities of Ethiopia. The Constitution has created a political platform to enable the people of Ethiopia to fully exercise their democratic rights. It offers all Ethiopians the opportunity to realise

their vision of building a society founded on the rule of law, capable of ensuring lasting peace and sustainable economic and social development.

The people of Ethiopia, as a matter of priority, have been engaged, over the last 24 years, in building democratic institutions and putting in place the legal framework, which clearly stipulates the rules that have to be observed by all political stakeholders in exercising their democratic rights.

The Ethiopian parliament, which comprises the House of People’s Representatives and the House of Federation, while it is tailored to address the specific political reality in Ethiopia, has taken into account the experience of developed democracies, in the pursuit of installing democratic principles in its day-

to-day operations.

One of the political landmark measures taken in Ethiopia to ensure a democratic political dispensation, is to have an independent electoral board. The electoral board, which has undergone continuous reform on the basis of best practices, is accountable to the House of People's Representatives and is independent of any political affiliation. It has the responsibility of ensuring that electoral activity is governed by electoral law that meets international standards. It has to see through the election process and beyond that the right of the Ethiopian people to freely express their will on the basis of equal popular suffrage is fully implemented.

Previous elections

The process of building a democratic society in Ethiopia has been accompanied by notable successes and by some challenging situations. Four National Elections have been held in the past twenty-four years, and the fifth election is due on 24th May this year - 2015. Experiences gained from the past four elections will provide valuable inputs to make this year's elections better than ever before.

Out of the 75 political parties existing in the country, 58 have registered for election to the House of People's Representatives which has 547-seats. A record number of 36,830,000 people have registered to vote. This represents an increase of 15.3% over the number of registered voters in the 2010 elections.

No effort has been spared to ensure that the 5th National Elections in Ethiopia will be free, fair, peaceful and credible. Codes of Conduct governing the activities of participating parties, have been signed, mechanisms to address complaints have been put in place, local and foreign observers are ready to monitor the elections, the materials and equipment required for the elections have been prepared.

The participation of women voters is one of the most important barometers of the democratic nature of any election. The gender parity of this year's election points towards significant improvement. Out of the 36.83 million registered voters, 17.87 million - which amounts to 48.5% - are women. This figure compares favorably with the 15.2 million female voters who registered in 2010. Regarding female candidates, their number has reached 301, an increase of 149 or

98% compared to the last election.

Preparations for the election

The National Electoral Board of Ethiopia has announced that it has finalized preparations to ensure the successful conclusion of the elections. Logistical arrangements have been made to ensure the availability of election officials and the necessary election materials have been distributed to all 45,000 polling stations. Training has been given to law enforcement officers, election officials and leaders of mass organizations, in order to enable them to assist with the peaceful conduct of the elections.

Ensuring Free, Fair and Credible Elections

Funds amounting to 30 million Birr – equivalent to 1.5 million US dollars - have been disbursed to help contesting parties cover their campaigning costs. A total of 600 hours of television airtime - to be used across 5 television channels and 16 radio stations - and 700 newspaper columns across 11 newspapers, in a range of local languages, have been allocated free of charge. The cost of this media campaign would amount to 128 million Birr – or 6.4 million US dollars.

In addition, nine televised debates have been conducted to enable contesting parties to express their unrestricted views on the ruling party's record in office and to put across their own policies. The issues selected for debate were 1. multi-party democracy, 2. good governance and the rule of law, 3. federalism, 4. agriculture and rural development, 5. urban development industrial policy, 6. Education and health, 7. infrastructure 8. national security and 9. foreign policy.

The presence of observers is crucial for the credibility of any election. So 250,000 election observers have been nominated by people in every constituency, and will be deployed in all polling stations. The Union of Ethiopian Civic Organizations will also dispatch forty thousand observers. The African Union, which has already assigned monitors to observe the pre-election process, will dispatch 50 election observers who will be led by the former President of Namibia and this year's winner of the Mo Ibrahim Prize, His Excellency Hifikipunye Pohamba.

As mentioned earlier, the National Electoral Board of Ethiopia has done its best to ensure that the 5th National Election will be free, fair, peaceful and credible. The lively election campaign will continue

until two days before Election Day.

On Sunday 24th May over almost 37 million Ethiopians will march towards the country's

45,202 polling stations to cast their votes. This will mark a major milestone in the history of building democracy in Ethiopia.

ECONOMY

Ethiopia plans export hubs with USD 10 billion factory parks

Ethiopia is targeting USD 1 billion of annual investment in industrial parks over the next decade to boost exports and make it Africa's top manufacturer, a special adviser to Prime Minister Hailemariam Desalegn said.

The government may invest half of the USD 10 billion needed for zones across the country that will house textile, leather, agro-processing and other labor-intensive factories, Arkebe Oqubay said in an interview in the capital, Addis Ababa. The International Finance Corp., the World Bank's private lending arm, along with Chinese and European lenders and private-equity funds are interested in projects, he said.

"In terms of industrial development and manufacturing development, we want to put Ethiopia number one in Africa," Arkebe said.

Growth in Ethiopia has surpassed every other sub-Saharan country over the past decade and is forecast by the International Monetary Fund to exceed 8 percent over the next two years. The state-planned economy is opening up to foreign investors following its sale of USD 1 billion of Eurobonds last year and plans to start an equities and secondary debt market, London-based Exotix, which has a buy rating on the Eurobonds, said May 7.

Ethiopia's manufacturing industry is valued at about USD 1.35 billion, compared with \$48.1 billion in

South Africa, according to World Bank data.

Calvin Klein

American clothing company Phillips-Van Heusen Corp., which owns the Tommy Hilfiger and Calvin Klein brands, is considering using suppliers at an industrial park in Hawassa, south of Addis Ababa, the government said last month. Hennes & Mauritz AB, Europe's second-largest clothing retailer, already sources from three factories in Ethiopia, where wages can be as little as a tenth of China's and access to the U.S. market is duty free under the African Growth and Opportunity Act.

Ethiopia had targeted a 15-fold increase in textile and leather exports to USD 1.5 billion in a five-year plan that finishes in July, the end of the country's fiscal year. That surge failed to take place because of a lack of specialized parks with services including utilities, banks, customs and transport links, said Arkebe, who is chairman of the state-run Industrial Parks Development Corp.

Total manufacturing shipments earned USD 262 million in the first eight months of this fiscal year, up 10 percent from the previous year. Investing in industrial parks will be "a major solution to the problems," Arkebe said.

200,000 Jobs

The government will use about half of the funds from the Eurobond to develop parks in the financial

year that begins July 8, he said. The government's so-called Vision 2025 sees manufacturing expanding 25 percent a year and creating employment for 200,000 Ethiopians annually, Arkebe said.

The World Bank is spending \$250 million on a second industrial zone at Bole Lemi, on the edge of Addis Ababa. In October, Shin Textile Solutions Co. of South Korea moved into the existing factory park at Bole Lemi, employing 3,000 people, Arkebe said.

A textile park opened in Hawassa in April and construction begins this month on zones in Dire Dawa and Adama, which are both on Ethiopia's main trade route to a port in neighboring Djibouti, according to Arkebe. Kombolcha and Mekele will also be manufacturing centers. The industrial park plans need to be endorsed by federal lawmakers who will be voted for in May 24 elections, he said.

Chinese Funding

Electric railways costing \$4 million per kilometer will serve the environmentally friendly hubs that private companies can develop "almost" rent free from the parks company, which will have as much as 100,000

hectares of land, Arkebe said.

Developers will get a tax holiday of as long as 15 years and duty-free privileges, with incentives increasing for building done outside the capital, he said. Manufacturers can get tax exemptions of 10 years if they export all their products from a site not in Addis Ababa.

One rail project connecting Addis Ababa with the cities of Jimma, Bedele and Ambo began last week. Chinese banks will "mainly" finance the 491-kilometer (305-mile) rail link, he said. Another railway from a port in the Djiboutian town of Tadjourah port to Bahir Dar city and from the capital south to the cities of Hawassa and Arba Minch will be completed by July 2020, Arkebe said.

Separately, the government says a Chinese-funded track from Addis Ababa to Djibouti will be completed this year. Work is also continuing on a \$1.7 billion line that goes through Kombolcha, funded by the Export Credit Bank of Turkey and Credit Suisse Group AG.

Source: Bloomberg

<http://ethio.be/1HtYluA>

Ethiopia opens Africa's biggest wind farm

Prime Minister Hailemariam Desalegn inaugurated Ethiopia's largest wind farm on Monday 18 May 2015. The Adama II Wind Farm, a USD 345 million project, is believed to be the largest in Sub-Saharan Africa. With a total of 101 turbines it will have an installed capacity of 153 MW and estimated energy production of 477 WH. The farm is located in the Oromia Regional State and is the country's third wind farm. The first, the Ashegoda wind farm in Tigray

Regional State generates 20 MW, and the second, Adama I, produces 51 MW. The Prime Minister said at the inauguration that the Adama II Wind Farm would contribute significantly to Ethiopia's sustainable growth and provide a potentially crucial step in the development of the country's renewable energy industry and the nation's sustainable growth.

Source: MFA of Ethiopia

Infrastructure development in Ethiopia

Infrastructure plays a central role in the Growth and Transformation Plan that organizes the development of the Ethiopian economy. Among them, good roads and reliable communications play a central role to increase the living standards of the population, to enable a performant economy and to attract foreign investments. These two sectors have therefore been a top concern for the Government of

Ethiopia in the past, and several results were already achieved. Today, the road network is almost three times bigger than 1997, while the telecom services are expected to cover 85 % of the country soon.
Roads

Over the last years, there has been a massive increase in funds allocated for road construction. According



A new expressway will connect the capital city Addis Adaba to Adama. © Ethiopian Roads Authority.

to the World bank, the number of rural people with access to an all-season road nearly tripled in the last five years, with an increase to 36.5 million in 2014 from 12.5 million in 2009. Several highways have also been completed, among other the Ethiopia-Sudan highway, while other highways connecting Ethiopia respectively to Kenya, Djibouti and South-Sudan are under construction.

The fourth Road Sector Development Programme (RSDP) that is currently implemented under the Growth and Transformation Plan organizes this massive development of the road sector. It aims to rehabilitate 728 km of trunk roads, upgrade 5,023 km of trunk and link roads, construct 4,331 km of new link roads, maintain 4,700 km of paved and gravel roads and conduct routine maintenance of further 85,649 km road networks during 2014-2015 fiscal year.

The Ethiopian Road Authority expects the total road network in the country to reach 136,044 km by the end of the 2014-2015 fiscal year, nearly three times

the 48,793 km coverage it had in 2010.

Telecoms

The development of the telecom services is also organized under the Growth and Transformation Plan. In this framework, the mobile usage is set to increase from 7.6% in 2009-2010 to 64.4% of the population this fiscal year. Moreover, the internet subscribers should reach more than 7% of the population by the end of the same period.

Progresses in the access of communications services are already considerable. In the fiscal year 2013-2014, more than 18,800 kebeles (districts) had benefitted from telecom services, from under 10,000 in 2007-2008.

In March 2015, a brand new 4G network was launched in Addis Ababa. This new service, that allows a much faster mobile communication to the Internet, will be able to serve 400,000 subscribers and is part of a \$1.6 billion deal signed two years ago with Chinese firms Huawei and ZTE to expand mobile infrastructure throughout Ethiopia. It will notably boost Ethiopia's

attractiveness for businesses that are highly reliable on flexible and high speed connections. This project also aims to also double 3G capacity to 60 million

subscribers by the end of the year (about 70% of the population).

AGENDA & ANNOUNCEMENTS

Celebration for Ethiopian diaspora: 24th anniversary of Ginbot 20

The Embassy of Ethiopia in Brussels cordially invites Ethiopians and Ethiopian origins living in the Benelux to celebrate together the 24th anniversary of Ginbot 20, the downfall of the Derg regime. During the celebration, the diaspora participation in the development of the country, good governance issues as well as diaspora housing directives will be explained and discussed.

The Embassy is looking forward to welcoming all Ethiopians and Ethiopian origins on 30 May

2015 from 14:00 to 18:00 at the cultural center Whalll, avenue Charles Thielemans 93, 1150 Brussels. Please confirm your attendance at info@ethiopianembassy.be or +32 2 771 32 94
Read the complete invitation letter (Amharic):

www.ethio.be/1Ek7wX6

Announcement: Registration of Diaspora Housing

The announcement (Amharic) is available here: www.ethio.be/1lTq4DJ

Embassy closed

The Embassy will be closed on 25 May 2015 because of Belgian public holiday, and 28 May 2015 due to Ginbot 20 celebrations.

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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