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MINISTRY FINALIZES PRE-SHIPMENT INSPECTION MANUAL THAT SAVES TIME



Ministry of Trade announced that it has finalized third Party Pre-shipment Inspection Manual to save time by sharing the ever increasing loads of conformity assessment on quality control.

The effort of conformity assessment is crucial to the overall well-being of the country in terms of keeping social health and security as well as building quality institutions, among others.

Despite its tremendous benefits,

certifying both imported and locally produced products takes time due to the mismatch between demand and service.

“To resolve such challenges and keep the quality of imported products such as construction inputs, factory inputs, agro-processing, the Ministry have prepared third party pre-shipment manual”.

The country targets to enter into contractual agreements with well-known international pre-shipment inspection companies following the approval of the manual, it was learned.

Upon the approval of the manual, imported products will immediately go to their owners and no time will be wasted for conformity from Ethiopian Conformity Assessment

Enterprise (ECAE).

ETHIOPIA WORKING TO IMPROVE INVESTMENT CLIMATE



Ethiopian Investment Commission (EIC) has conducted a workshop that will work to improve Ethiopia’s investment climate and its rank on the World Bank's Doing Business Report.

Speaking about the Investment Climate Reform Program, EIC Commissioner Fitsum Arega said the reform is aimed at supporting the country to improve its rank in doing business by improving the small and medium business



enterprises.

The Investment Climate Reform chaired by Prime Minister Hailemariam will reportedly meet weekly to finalize the program within a few months, it was learned. “We need to do a lot of improvement as we have learned a lot in the last two years in an effort to coordinate this initiative and improve the business climate”, Fitsum said. Doing Business report is an independent evaluation flagship of the World Bank that evaluates ease of doing business in 190 countries. Doing Business measures regulations affecting 11 areas of the life of a business. Ten of these areas are included in the ranking on the ease of doing business: starting a business, dealing with construction permits,

getting electricity, registering property, getting credit, protecting minority investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency. Doing Business also measures labor market regulation.

The indicators are used to analyze economic outcomes and identify what reforms of business regulation have worked, where and why. Ethiopia was ranked 161 out of 190 countries in doing business in 2016/17.

CHINESE COMPANY TO ESTABLISH TEXTILE INDUSTRY IN DIRE DAWA



Wuxi No.1 Cotton Mill, a Chinese Textile Company, has agreed to build integrated textile industry in Dire Dawa, according to the Ethiopian Investment Commission. The company, with a weaving capacity of 26,000 tons of yarn and 30 million meters of gray fabrics per year, has agreed to invest in a large scale and integrated fabric mill and spinning plant.

The company is known for supplying leading global brands, where 75 percent of its products are mainly exported to Europe, America, Japan, Korea, and Southeast Asia.



During the signing ceremony, Abebe Ababayehu, Deputy Commissioner of EIC, said the investment will contribute a lot to the country's vision of becoming manufacturing hub.

"This investment would contribute immensely to our government's vision to build a sustainable, vertically integrated and export-oriented, apparel and textile manufacturing hub in Ethiopia. Indeed, our vision is to make Ethiopia the leading manufacturing hub in Africa."

Wang Quan, Mayor of Wuxi City, for his part reiterated his administration's commitment to support Chinese investment in Ethiopia.

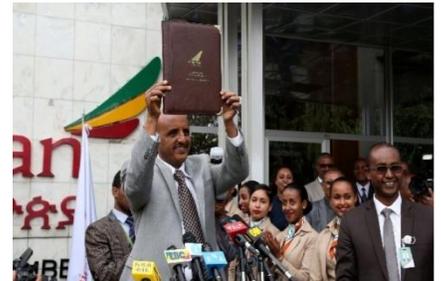
In addition to creating direct employment opportunities and

earning the country valuable foreign exchange from export, this investment is expected to create significant backward and forward linkages in the fast growing textile and garment industry of the country.

As the industry uses raw materials such as cotton from local sources to produce yarn, it will create a good opportunity for cotton suppliers and is expected to promote large scale cotton production in the country.

Through the industry, the company will bring a state-of-the art manufacturing technology, knowhow and excellence accumulated over a span of 100 years.

ETHIOPIAN AIRLINES BECOMES FULLY DIGITAL



Ethiopian Airlines has gone fully digital.

Ethiopian CEO Tewolde Gebremariam, along with other executive management members, marked the digitalization era by signing the last paper based approval document and burning trash papers.

He said the airline applies the latest aviation digital technology, which is environment friendly and with less carbon emission.

The digitalized operation is designed from the perspective of



contributing to the national efforts in ascertaining a Climate Resilient Green Economy Strategy of the country, Tewelde added.

According to the CEO, the airline began its journey to paperless operations at booking, ticketing, and boarding pass a decade ago. It has taken the airline more than ten years to fully become digital.

Over the last five years alone Ethiopian Airlines has spent more than 50 million USD to effectively complete the introduction of digital technology in the entire operation of the organization, it was learned.

Tewelde stated that “making the airline’s operation digital helps it to give internationally standardized services with various options to its customers.”

Moreover, he explained that the

digital operation helps the airline to run its activities easily and effectively through time and space.

Having applied digital operations increases the airlines online sales from 12% to 20% up to 30%, he revealed.

The digital operation cyber is strongly protected from hackers and there is a disaster recovery automation that cost about 10 million USD to run the operation in case of emergency, Tewelde added.

Ethiopian Airline, which has 100 international and 19 domestic destinations, carries over 8.8 passengers annually.

KOREAN COMPANIES INTERESTED IN DEVELOPING INDUSTRIAL PARKS IN ETHIOPIA



South Korean companies that are assessing business opportunities in Ethiopia have expressed desire to invest in Ethiopia in various investment sectors including development of industrial parks.

While discussing with President Mulatu Teshome, the South Korean business delegation named Innovation-Business (INNOBIZ) expressed desire to invest in



Ethiopia.

Chairman of INNOBIZ and Honorable Consul of Ethiopia in South Korea's Busan province, Sang Jin Kim said "We have a lot of technological innovations in every sector so we are looking for what Ethiopia needs from Korea".

He added that "If the industry park for Korea established, it will probably try to encourage all the private sectors to come and to invest in export oriented manufacturing".

During the discussion one of the giant companies of Korea, Young-HWA has announced plan to establish an industrial park in Adama on 200 hectares of land, according to Aklilu Hailemichael state minister of MoFA.

Agro-Business including coffee

processing and construction were among the priority areas of the Korean companies in addition to the development of industrial parks. Some 27 people representing 21 giant South Korean companies were in Ethiopia to assess investment atmosphere and opportunities and study priority areas of the government of Ethiopia.

The delegation has been engaged in discussions with various officials and visited industrial parks as part of their assessment on investment atmosphere and opportunity.

**TOP QATARI INVESTORS
KEEN TO EXPLORE
OPPORTUNITIES to INVEST
IN ETHIOPIA**



Top Qatari investors have expressed keenness to explore business opportunities and invest in Ethiopia.

Having received briefings about the investment opportunities in Ethiopia by a delegation led by Prime Minister Hailemariam in Doha, the investors have shown desire to invest in the country.

Real estate, agriculture, and livestock were among the areas that the Qatari companies are interested in.

They have stated their desire to assess and examine the business



atmosphere and opportunities in the Horn of African country to enhance investment.

The signing of the investment protection agreement between the two countries encourages more Qatari investment, they said.

Furthermore, the investors have praised the investment opportunities and atmosphere as well the economic development of the country.

While briefing the top Qatari investors, Prime Minister Hailemariam has assured them that his government is committed to support interested investors.

The Premier stressed that Ethiopia will provide the necessary support for the companies and the government expects in return knowledge and experience sharing

that build the capacity of domestic companies.

ETHIOPIA EXPANDING MINING AREAS



Geological Survey of Ethiopia announced that it has discovered 21 new potential mining areas.

Organization Public Relations Director Tameru Mersha said that : “ We had planned to explore 35 mining areas in the last Ethiopian fiscal year but we have succeeded in identifying 21 spots.”

According to him, these mining areas are endowed with different

kinds of resources and found in nationwide. “. Among the discoveries , nine of them are gold deposit areas and located in Benishangul Gumuz state namely Kamash and Mankush zones.

Industrial minerals had also been found in Dire-Dawa, Belewa, Hulahul and Lege-oda. Steel mineral was discovered at Tigray in four areas. The coal reservation area’s was identified at Dawuro Zone of the Southern Nations, Nationalities and Peoples State as well . In addition , the Gemstone reserve areas were unearthed at Melkakuro, Legederi and Adesri areas of Dire-Dawa City Administration ,” he added.

The Director also stressed that the nation needs to do a lot in mining exploration and capacity building



apart from overcoming challenges and realizing the set goals of the organization in a timely manner.

For the current fiscal year, the organization have planned to expand the geological mapping coverage of the country from 84.9 percent to 88 percent by identifying over 41 new potential natural resource areas.

Hence, he said that the new natural resource discovered areas including 27 sedimentary gold deposits, four Gemstone and steel mineral as well as one coal potential areas has increased the mining areas to 215 from 174.

BOORTMALT TO OPEN MALTING FACTORY DEBREBERHAN INDUSTRIAL PARK



The Ethiopian Investment Commission (EIC) and Boortmalt Malting Company have signed a Memorandum of Understanding (MoU) and land lease recently for the construction of a malting factory in Debre Berhan Industrial Park (DBIP).

Boortmalt that aims to build a 60 metric ton, world-class malting plant on 15 hectares of land being the first anchor investment in the

DBIP.

Signed at the EIC office by Fitsum Arega, Commissioner of EIC, and Mr. Yvan Schaeppman, CEO of Boortmalt, the agreement is a result of the collaborative effort between the EIC, Agricultural Transformation Agency (ATA), and Ministry of Agriculture and Natural Resources (MoNAR) to arrange and facilitate the granting of land permits for nucleus farms, a malting plant, and satellite silos.

The ATA and EIC collaborated to develop several business cases identifying and encouraging investment in agro-processing, such as this greenfield opportunity in barley malting. Opportunities include contract farming opportunities for crops such as malt barley, which have the potential to



impact the livelihoods of 20,000 – 40,000 smallholder farmers nationwide. The commercialization of smallholder farmers is instrumental to Ethiopia's aim of eradicating poverty and achieving middle income status by 2025.

"This signing marks an important milestone for all parties, and particularly the ATA as our first conversion of a major international investment," stated Ato Mirafe Gebriel Marcos, Senior Director of Agri-business and Markets at the ATA, "We have worked diligently over the last few years to bring this into fruition, and the result will be the construction of a state-of-the art facility with environmental sustainability at its core."

In 2016, Boortmalt expressed interest in investing in expanding

local malting capacity by signing a preliminary MoU. Its presence in Ethiopia represents a reliable and substantive buyer that can strengthen the barley value chain by creating linkages with farmers, cooperatives and aggregators in key areas. Currently, the national malt barley demand far exceeds supply, with Assela Malt Factory being the primary supplier of malt. With the advent of numerous breweries in recent years, Ethiopia has been fulfilling nearly 50% of breweries' needs with imported malt.

Boortmalt's entry into the market means that Ethiopia can satisfy its domestic demand and begin exporting malt barley within five years. The initiative also offers numerous other benefits, such as

incentivizing smallholders by creating direct and sustainable market opportunities that link them with agro-processing industries. It will also demonstrate the economic viability of investing in Ethiopia and attracting more foreign direct investment.

FOREIGN INVESTORS TO BENEFIT FROM E-VISA, LONGER VISA DURATION



e-VISA

The Immigration and nationality affairs office says it has finalized preparation to implement new visa directive to issue longer stay visa



for foreign investors.

The office also indicated that foreign investors are also going to benefit from e-visa service in the near future.

During a consultative dialogue between Ethiopian Investment Commission, foreign investors and stakeholders, the business community had requested for improvement in the process of visa issuance and type of visa issued for foreign investors.

The representatives suggested on the occasion that the government should think of providing e-visa service for business travelers to avoid the hustle they face for visa issuance and prolonging the duration of visa for foreign investors by more than one year.

Foreigners and Consular Affairs

Department Head with the Office Zechristos Tesfaye said on the occasion the office previously used to issue e-visa for tourists and conference participants at pilot level. Now the pilot level implementation of the e-visa service has been proved successful and the office has plans to extend the service to all categories.

Business travelers or foreign investors are also the main targets of the e-visa service which the office would launch in about a month time, he noted. He further added that a new directive which entitles foreigners with significant investment in the country to five or more years of would be implemented in about a month.

Addressing the delegations quests

related to foreign currency, Ethiopian Investment Commissioner Fitsum Arega said a new directive has raised the amount of foreign currency foreign investors deposit in their account from 10 % to 30%.

He added Franco valuta is allowed only on capital goods and is not likely to be allowed for other sectors as it has long term impact on the country's economy.

Foreign Exchange Monitoring and Reserve Management Director with the National Bank of Ethiopia (NBE) Yenehasab Taddese on her part indicated that a new directive has allowed 40 % of the country's foreign currency for the private sector which is further subdivided prioritized sectors.



CHINESE PLC TO INAUGURATE PHARMACEUTICAL PLANT IN ETHIOPIA



Humanwell Healthcare Group, a Chinese based private limited company would inaugurate its pharmaceutical factory built at a cost of 20 million USD at Amhara State.

Situated at 7 hectares of land, the industrial plant is the first phase of the total 100 million USD

investments by the Chinese health care solution provider.

The plant has been constructed in one and half year and would commence production very shortly.

For the first, phase investment, the company targets to produce over 30 products in four dosage forms, tablets, capsules, injection and syrup. The company would create jobs for over 300 people at full capacity.

Group's Integrated Manager Lu Xianjun says that Ethiopia has big market opportunities with growing population. The company would also export products to neighboring countries in near future.

Mekonnen Hailu, Public Relations Director at the Ethiopian Investment Commission said that Ethiopia has untapped potential for

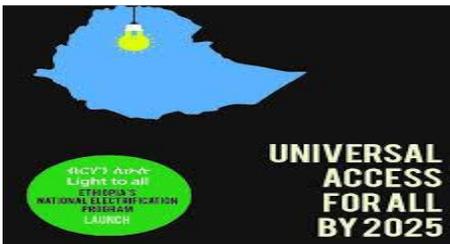
pharmaceutical sector as the country meets 85 percent of its demand from import. The opening of local manufacturing companies would help substitute import and save hard currency.

Local pharmaceutical companies have limited capacity and are few in number to meet domestic demand and the move by foreign companies such as Humanwell to set up factory is essential to meet the market demand and contribute significantly to the development of the sector. The pharmaceutical sector is at early stage and much needs to be done to attract foreign investors, says Mekonnen.

Headquartered at china, Humanwell operates in more than ten countries.



PREMIER LAUNCHES NATIONAL ELECTRIFICATION PROGRAM



Prime Minister Hailemariam Dessalegn launched a National Electrification Program that enables all Ethiopians with electric access by 2025.

The premier said on the occasion that the program is part and parcel of Ethiopia's vision to be middle income country by 2025..

Water, Irrigation, and Electricity Minister Dr Seleshi Bekele for his

part said : "Several researches and electrification programs for each cities and rural kebeles have been undertaking with a view to achieving UN Mission 2030 Electricity for All. For sure ,the nation will meet the goal five years earlier."

According to him,, since 2005, the government has expanded the network infrastructure to cover 60% of the country. However, while living close to existing network, only 25% of the populations currently have access to grid connectivity. Therefore with the launch of this program, attention would be given to household connectivity and service delivery.

He also noted that access to adequate, reliable, and affordable electricity service is critical enabler

of country's transformation to be middle-income and the well being of its citizens.

At the event, World Bank Country Director to Ethiopia, South Sudan and Sudan Carolyn Turk said;

"In the past two decades, Ethiopia has achieved substantial socio-economic development in infrastructure building, from this we could see there are indicators that show Ethiopia can possibly achieve this mission, however, it needs to give concern to solve bottlenecks observed in the past especially with regard to electricity access, which is key in developing the well being and productivity of its citizens."

The Mission Electrification workshop which has brought together policy makers and energy practitioners from the world would



also facilitate the creation of a body of practical knowledge, drawn from global experiences in designing and implementing robust electrification programs.



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